THE FINANCIAL POST

The Canadian Newspaper for Businessmen and Investors

Vol. XXXVIII | 10c a Copy; $5.00 a Year | PUBLICATION OFFICE: TORONTO, AUGUST 5, 1944 | Member of Audit Bureau of Circulations | No. 32

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The Nation's Business

Find No Oil 'Melon' For CCF To Cut

Out of current Alberta electioneering between Social Credit and the CCF comes a remarkable fact.

A major CCF appeal to the Albertans is that it would take over the oil industry, beer and Calgary Power. Somehow, they claim, division of the spoils of these industries will work wonders for the people of Alberta.

Social Credit Leader Manning avows his own antagonism to business—says he fights it at every turn—but he collected these figures to dynamite socialist promises that there would be a delightful melon to cut if Alberta's oil industry were taken over.

Manning's figures from official sources were never before released. They go back to the drilling of the first well in Alberta.

Total spent in development, exploration, production of oil in Alberta		$136,780,000
Total income Alberta oil production		$118,404,000
Loss to oil operators, public, etc.		$ 18,374,000
Total oil wells drilled	1,150	
Dry holes	535	
Gas wells	175	
Producers	440	

Manning declares that had the Alberta government socialized the oil industry "for the benefit of the citizens," the province would not only have been out the $18 millions, "lost" on the whole enterprise, but a further $13 millions which Alberta has collected from the oil industry in royalties, rentals, taxes, etc.

Put another way: by tolerating and taxing the competitive enterprise system in oil, Alberta citizens have got $13 millions without risking anything.

An important natural resource from the development of which everybody benefits has been tested at enormous cost only to those enterprising individuals willing and, for the most part, able to take the risks of doing so.

The only other way this natural resource could be tested and developed is the socialist way—the way of compulsion—compelling every citizen, willing or unwilling, able to stand risk or unable, to provide funds through extra taxes to do the work.

The corollary, of course, is that if governments are going to pay lip service to the enterprise system, expect it to work, they must encourage risk-taking. Currently that means above all else amending tax rules to make the rewards of risk-taking attractive.

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RAIL WAGE AWARD INVITES INFLATION

While the National War Labor Board did not capitulate entirely to the demands of the railway unions, the award of a six cent an hour increase to all categories of rail workers is a very serious blow to the entire wage stabilization program and an open invitation to every other highly organized and politically powerful group to bounce up with its own demands. What answer will the NWLB give these new applicants? On what will it base refusal?

Successive capitulations to reckless wartime demands would seem to leave the NWLB wage stabilization program—and with it the whole price control system—on a very tottering foundation.

The award was six cents an hour increase to all rail workers. Demand was that wages for running trades (engineers, etc.) be raised to U. S. levels which would have involved a 25 to 32 cent an hour increase. Other rail workers wanted 32 cents an hour increase.

The six cent award is in addition to the nine cent cost of living bonus, hence the award amounted to half the demand.

Most significant fact about the NWLB decision is its refusal to recognize the union demands for equalization of Canada wage rates with those in the United States.

The railway union demand was that the running trades, conductors, engineers, etc., be given increases which would bring them up to current U. S. rates.

The principle enunciated in the railway union demand that a "just wage" at any given time should be the particular wage paid in the U. S. is simply foolish. How do they decide that it is not the Canadian wage that is the "just" rate and that the U. S. rate should not be brought down to the Canadian level?

The only important thing about any wage is what it will bring in the satisfaction of personal wants. The Canadian stabilization program, in addition to guarding us against disasters after the war, has worked during the war better than its most sanguine proponents expected in minimizing shortages, in providing for equitable distribution of scarce goods and services, in maintaining the purchasing power of our money.

In Canada, the slow-down of inflationary forces has been generally more effective than in the U. S. where the American worker finds his dollars now bringing him very substantially less than at war's outbreak.

As Gilbert Jackson said in his recent book "Facts in the Case," it is unfortunate that both Canada and the U. S. call their unit of currency, the dollar, because so many people think this means the dollars are or should be the same thing. If Canadians had adopted as the name of our currency unit, Wampum, instead of dollar, we could have gone through the normal and healthy activity of haggling between buyers and sellers, bargaining between managers and workers, on sound grounds without getting mixed up with irrelevancies and attempts to compare the incomparable.

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WHERE DOES P-C PARTY STAND?

Those who expected clarification of party's aims must have been somewhat disappointed in the radio address of Mr. Bracken last week. There was little to indicate in it what position the Progressive-Conservative party proposes to take in the coming election, whether it will be to the right or left of Mr. King.

The Progressive-Conservative chief said that his party stood for reformed capitalism which he explained was a

> "Reformed, efficient, modern, human capitalist system, which will give the people everything that is humanly possible to obtain, everything that Providence meant that we should have and more than any other type of economy we can give."

But Mr. Bracken offered no definite hint as to how this laudable objective was to be obtained, if indeed we have not already attained it; where he and his party differ in their views and plans for achieving that goal from others. He was but little more definite when he spoke of the place of government except to intimate that there was to be no divorce of the state from business. He said:

> "In peacetime we will also need a measure of government co-operation and economy. We will need it to plan our progress. It will be the business of government to help with the plans because a planless economy means a nation in decay."

It is now 19 months since Mr. Bracken was chosen to lead a reorganized Conservative party and yet there remains in the public mind considerable confusion as to exactly what that party offers. There is also a feeling, confirmed only last week by the party split on family allowances, that active members of the party are not in agreement on certain fundamental issues. It is true, Mr. Bracken came out finally for conscription, but he has remained silent or has spoken only in generalities on other matters of vital importance.

With a general election coming perhaps in less than six months the Progressive-Conservative party must have something definite to offer, must stand clearly and unequivocally for something, or they risk a Saskatchewan eclipse on a national scale. The high promise of Port Hope and Winnipeg is scarcely being fulfilled.

U.K. Deal Lays Floor For Lumber

To Stimulate Timber Business Without Hampering Building, Says Govt. Controller

By STAFF WRITER

OTTAWA.—The recent agreement between the British Ministry of Supply and Canadian lumber producers and exporters calling for the shipment of Canadian lumber to Britain in the first two years after the close of the European war is important in that it "puts a floor under Canadian lumber," H. H. Williamson, Timber Controller for the Department of Munitions and Supply, said here.

The agreement provides for the shipment of as much lumber as will be permitted by the Timber Controller, who has set the maximum annual figure at 1,200,000,000. bd. ft.

"This quantity amounts to about 25% of Canadian production," Mr. Williamson said, "and is about the same as we exported to Britain before the war."

Stimulus to Lumbering

He added that this market should be a stimulus to the country's lumber industry in the difficult days of postwar transition, and added that in his opinion this export of lumber would in no way have an adverse effect on any prospective building boom in Canada.

R. W. Mayhew, Liberal member for Victoria, B.C., and an authority on lumber matters, said elsewhere in Ottawa that he thought Canada's timber production would have to double or treble its present capacity in order to take care of the demand for lumber which he foresaw as coming from England.

Big Exports Inevitable

"Large quantities of exported lumber from Canada are as inevitable as the ebb and flow of the tide itself," Mr. Mayhew said, adding that Prime Minister Churchill had told the people of Britain that in the first ten years after the war England would build 3,000,000 houses, and that this number had been increased to 5,000,000 houses.

Canada, he argued, will be the country to supply the lumber needed. Mayhew said he had been told it would take more than 400 vessels of 10,000-ton capacity to deliver the material required over the 10-year period. From this, as well as Canadian export possibilities in other fields and to other countries, he concluded that Canada should plan now on having a postwar merchant marine of her own.

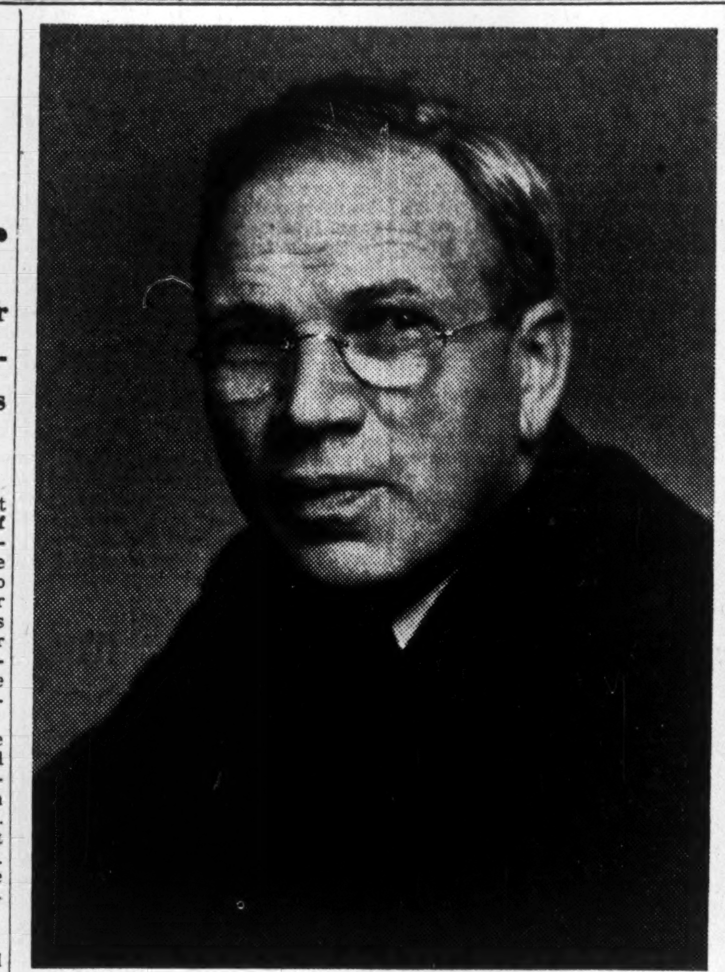
Truck Output Hit In U. S., Not Here

Shortage of engine block castings and forgings, said to be threatening U. S. war truck production, does not obtain here to anything like the same degree, The Financial Post is informed.

The supply of castings and forgings has been tight in Canada too, but there has been no serious shortage and the present situation is called satifactory.

It is not expected that Canadian supplies will be diverted to U. S. manufacturers.

The new U. S. National Forge & Foundry Association is being looked to for a possible solution; it was reported recently, coincident with a reported war department statement that unless this major production and manpower bottleneck is licked this summer the army program may fall 80,000 trucks short of its goal. Light truck output must jump 43% and heavy trucks 99% before March to make up deficiencies of the last six months, it is stated.



—Photo by Karsh.

TRUST BUSTER

From his job as chief WPTB enforcement officer, Fred Alexander McGregor moved recently to another important task. International cartels will be the object of his scrutiny as head of the five-man committee now beginning enquiry into the application of present Canadian laws, and to make recommendations on government policy.

Cartel Scrutiny Begins Under Five-Man Board

Canada's Views on International Trade Combinations May Take Form Quickly Once Studies of Existing Legislation Completed

Fred (not Frederick) Alexander McGregor, commissioner of the Combines Investigation Act since 1925 and enforcement officer of the Wartime Prices and Trade Board during the war, started two months ago on another task of major proportions. He heads a five-man committee to enquire into the application of present Canadian laws to the subject of international cartels, and to make recommendations on Government policy in this field.

Labor Minister Mitchell announced the cartel probe a fortnight ago, and tabled a letter dated May 22 in which Mr. McGregor was instructed to form his committee and proceed. Other members are J. C. McRuer, K.C., and Prof. V. W. Bladen of the University of Toronto, with J. J. Deutsch holding a watching brief for External Affairs and Dr. W. A. Mackintosh of the Finance Department sitting in on behalf of the Economic Advisory Committee.

No Star Chamber

There is no Star Chamber quality about this enquiry, which is not directed against any specific company or group of companies but is simply a survey of legislation and policy. The bald fact is that although Britain and the United States have very pronounced and in some cases sharply conflicting views on the subject of international cartels, Canada at the moment hasn't any well-defined views at all. That's what the enquiry is for—to find out what our views should be.

Labor Minister Mitchell phrased it thus: "What is here suggested is a study rather than a public enquiry. Its objective should be to secure basic information on which suitable government policy might later be based, and in this respect would be in contrast to specific investigations to secure evidence of alleged offenses."

The McGregor committee was therefore briefed to study operations of international trade combinations in relation to Canadian interests and the measures, if any, which exist for their control. The study is to include international patent arrangements, effect of international cartels on Canadian employment or Canadian business enterprises, and particularly their effect on Canadian import and export trade, both in the past and in the postwar period. Attention is also to be paid to relations between international and domestic combinations.

Trust Buster

In Fred McGregor the Government picked the best authority on trade combinations to look into the cartel setup. Of rather small stature and deceptively mild in manner, McGregor is an exceedingly tough hombre when it comes to busting trusts. In his 19 years as Combines Act commissioner he has published 16 reports and prepared half a dozen more than were not published, exposing tie-ups in various branches of Canadian industry. In all these enquiries he showed that he couldn't be scared or bluffed, that he was pretty hard to fool. Would-be black market operators during the present war have made the same discovery on several occasions.

Incidentally McGregor is one of the oldest collaborators, in point of service, with the present Prime Minister. He interrupted his college career in 1909 to serve for 18 months as private secretary to the new Minister of Labor, Mackenzie King, and he used often to drive his boss out to Kingsmere in a buggy. Subsequently the two men worked together in Rockefeller Foundation work in the United States and England. McGregor came back with Mackenzie King in 1919 to the Liberal Convention which chose the latter as leader, and served as his principal secretary during the next six years of Opposition Leadership and the first King administration. It was that post he left to take over his present job.

His careful enquiry had made a good deal of progress but was still quite a way from the report stage when, last Tuesday, McGregor departed for his annual vacation. It's understood to have concentrated mainly, so far, on the major Canadian legislation dealing with combines, namely the Combines Investigation Act, the Customs Act and sections of the Criminal Code.

Govt. Over-all Program For Postwar Emerging

Recent Measures Implement Throne Speech Outline — Temporary and Permanent Rehabilitation Schemes Already at $1 Billion Mark

Broad postwar plans of the Dominion Government emerged in several important pieces of legislation introduced in the House of Commons in the past few weeks.

What it adds up to is that the Government's postwar rehabilitation program, as outlined briefly in the January throne speech, is beginning to take final shape.

Price is High

The objectives aimed at in these various pieces of legislation are, in principle, accepted by members of all parties in the House. But members of Parliament, and the public generally, are beginning to understand that if they want to attain these desirable objectives, they must pay for them, and pay plenty.

Alarm was voiced the other day in the House by the Progressive Conservative veteran, Hon. R. B. Hanson. He said that Parliament had committed Canada to expenditures "over and above those which are the ordinary inheritance of Parliament, to the amount of one billion dollars."

Here, roughly, are the main measures, most of which are well on their way through the House, with approximate expenditures involved:

Family allowances, estimated by Prime Minister King to cost approximately $200 millions annually (p. 9).

Agricultural Prices Support Board, expenditures authorized up to $200 millions, exclusive of administration costs (p. 9).

Fisheries Stabilization Board, expenditures authorized up to $25 millions.

Export Credit Insurance Corporation, plus credit assistance measure to exporters, total possible expenditures set at approximately $230 millions (p. 9).

National Health and Welfare Act, annual expenditure stated to be in the neighborhood of $250 millions.

National Housing Act, approximate expenditure estimated at close to $300.

Total Over $1 Billion

The approximate total of these measures is $1,305 billions, although it should be pointed out that this overall program is divided into those projects of a temporary nature, aimed to tide Canada over

(Continued on page 2, col. 5)

$10 Millions Wage Boost Cost to CPR

Estimate Common Earnings Likely Cut to $2 as Result of NWLB Ruling

From Our Own Correspondent

MONTREAL.—Although the exact effect on railroad costs of the six-cents-an-hour wage boost ordered by the National War Labor Board will not be known for some time, even to railroad officials themselves, it is estimated in well-informed quarters that the addition to wage expense in the case of the Canadian Pacific Railway Co. will be somewhere between $10 millions and $15 millions this year. The actual amount, when finally determined, will probably be closer to the lower than the higher figure.

As a partial offset, income tax deductions will be less than they would have been otherwise for current year, as wage expense is a deduction before showing taxable income. Thus, it is quite possible that Canadian Pacific, in view of record revenues so far this year, may be able to show profits available for the common for 1944 of close to $2 a share, perhaps, or better. Much will depend, of course, on revenue trend in the important final half of the year.

Cost Estimates Filed

In the briefs filed by the railroads before the National War Labor Board, it was estimated that the wage increase asked by the unions would cost the Canadian National $61,697,687, on basis of 1942 payroll, and $66,633,502, on basis of 1943 payroll, while cost to the Canadian Pacific for 1942 would have been $49,319,057 extra, and $53,264,582 extra for 1943.

In reflecting the union plea for wages on U. S. rate basis, and ruling in favor of an increase of six cents an hour, the National War Labor Board awarded increases that would cost apparently about one fifth of what the unions asked, which necessitates paring down in estimates of additional cost, correspondingly.

President Coleman, in discussing Canadian Pacific common dividend prospects for 1944 at the last annual meeting, said earnings this year must depend on size of the wheat crop, and "other" factors, which latter reference quite evidently was chiefly to the railroad wage dispute. Wheat crop outlook now appears fairly satisfactory, and the wage decision is now known.

The directors are to consider the various factors and decide on dividend payment policy for 1944 at a meeting to be held this month.

Suggested It, Drew States Of Conference

"Misrepresentation of the facts" is charged by Ontario's Premier Drew against the Ottawa officials reported in last week's Financial Post who intimated that Ontario was not co-operating adequately in preparation for the forthcoming Dominion-provincial conference, but that much preparatory work has been already done.

Premier Drew, in a statement to The Post, said: "The proposal for a Dominion - Provincial Conference came from me, January 6. D. A. Skelton has been in touch with officials of the Ontario Treasury Department on a number of occasions, and there has been a constant exchange of information upon an agreed basis. I wrote Mr. King, June 19, again urging that the conference be called immediately and pointing out that all information required had been furnished by Ontario.

"In spite of repeated requests since my letter to Mr. King of January 6, which followed public suggestions along the same line still earlier, I have as yet received no indication whatever as to when we may expect such a conference.

"The most serious aspect is that in my January 6 letter I pointed out that this conference should take place before the Dominion and Provincial Governments committed themselves to any postwar legislation which had a definite bearing on the joint interests of the Dominion and Provincial Governments. I pointed out that such joint action was absolutely necessary in the field of social services and other similar fields, where, in the ordinary course of events, the provinces would have exclusive jurisdiction.

"In spite of that, the Dominion Government has proceeded to introduce legislation invading the provincial field of jurisdiction, and of necessity, in the end, invading the provincial field of taxation.

"This province has not only co-operated to the very limit, but it was upon the invitation of this province that this conference was considered at all. These repeated statements from unnamed officials at Ottawa that Ontario is not co-operating is simply part and parcel of an obvious plan to create the impression that the Dominion Government is not wholly responsible for the unnecessary delay and to have an excuse ready if they decide not to call the conference, as appears only too likely."

Rail Pay Rise Seen Undermining Control

No Appeal Now Possible on Grounds Railwaymen Used, But Price Ceiling Officials Fear Possible Effect

By STAFF WRITER

OTTAWA.—In awarding to Canadian railwaymen a wage increase roughly equal to half its demands, the National War Labor Board acted with confidence that this award would not oblige the railways to increase freight rates and thus destroy or seriously threaten Canadian price control, it is understood here.

This angle is no part of the Labor Board's responsibility, which was limited in this case to determining whether or not rail wages compared fairly with wages in comparable industries. But Labor Board members were nonetheless aware that their award would cost the railways, by their calculation, about $24 millions a year.

Fear Political Effect

Inflation control people, however, are not too impressed with this reasoning. They think the railways can pay the increase without boosting rates, all right, but what worries them is the political effect of an increase in rail wages all across the country—its example to other wage-earners.

This rail case is almost the last heard under the old order P.C. 5965, in which comparison with other industries and not "gross inequality" is the criterion for wage increases.

Theoretically, no one now applying for a wage boost could get it on the same grounds as the rail unions have done. Practically, however, the effect of a wage boost for the thousands of rail workers all across the country, many of them in small places where railway rates have more or less set the regional standard, is greatly feared by the price ceiling people. They think this decision gives one more kick, maybe the last, to an already groaning and tottering control structure.

Threw Out American Angle

The unions, in applying for a 23-cent raise of basic rates over 1943 levels, based their argument wholly on a comparison with United States rail wages. The railways, replying, devoted their attention to rebuttal of this claim. Since the National War Labor Board tossed the whole American comparison right out of the discussion, this meant that most of the pro-and-con argument was a waste of time. Furthermore, as the Board's judgment remarks with some acerbity, it was necessary for the Board itself to make the necessary analyses and comparisons of other Canadian wage rates, and "as a consequence the decision with respect to this application has been delayed."

Under the wage order now in force, not even Canadian comparisons would be relevant—the present order permits wages to be raised only in the case of "gross injustice and gross inequality." But these rail applications were made last year inder the then-operative P.C. 5965, and Section 25 thereof permitted the increase of wages which were lower than those prevailing in comparable industries.

Board Efforts Told

The Board described its efforts to make this comparison as follows:

"The Board caused an examination and study to be made of the wage rates received immediately prior to the war by employees in a large and representative group of industrial and other establishments in all parts of Canada. In making the examination and study we were careful that the establishments un-

(Continued on page 2, col. 7)

$27.4 Millions Air Route Unlikely to Get Much Use

But Exchange Angle, Wisdom of Owning U. S.-Built Hudson Bay Line, Factors Believed Making Purchase Worth While

By STAFF WRITER

OTTAWA.—Canada's expenditure of $76.8 millions to reimburse United States for permanent installations on air bases in northeastern and northwestern Canada, includes a sum of $27.4 millions for a Hudson Bay Air Route which Canada knows will be of little or no use in the immediate or predictable future. Decision to spend the $27.4 millions in buying back this "Hudson Bay Railway of the air" was based on two major considerations:

1. It's unwise to have any major air installations, however useless, located on Canadian territory, but owned by another power.

2. The $27.4 millions represented part of a surplus of United States dollars which we have to get rid of anyway, on account of our agreement with the United States Treasury following the Hyde Park Declaration.

Canada Doubtful

In announcing the reimbursement of American expenditures on the Hudson Bay Air Route, Mr. King stated that the project had been approved by the Permanent Joint Defense Board which implied endorsement by Canadian air authorities. He tactfully refrained from recalling that the Canadian attitude toward the project, from the beginning, had been "Go ahead if you want to, but don't think the route will be any good."

Washington went ahead and spent upward of $35 millions on air bases at The Pas, Churchill, Southampton Island, Frobisher Bay and Fort Chimo, of which the aforementioned $27.4 millions is the portion adjudged of "permanent" nature.

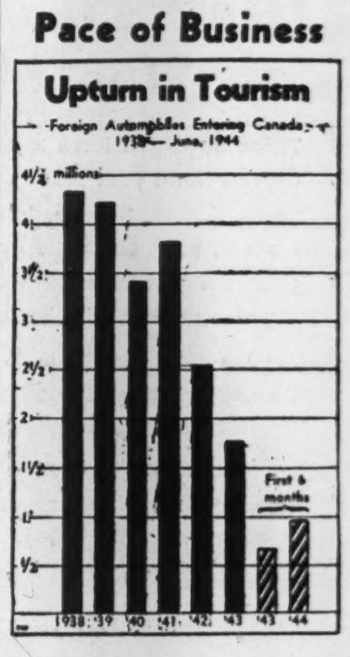
This spring, Canada decided to undertake full responsibility for all permanent air installations on her territory, and to reimburse United States for all outlays thereon, so that there might be no shadow of doubt as to ownership and control of these facilities in the postwar period. Shortly after Munitions Minister Howe announced this policy with regard to the Northwest Staging Route, Finance Minister Ilsley made a statement (April 21) which illuminated some of the fiscal motivation of the decision.

Had to Cut Dollar Surplus

Mr. Ilsley explained that under the Hyde Park agreement, Washington had agreed to help us meet our shortage of U. S. dollars by purchasing a quantity of war supplies from Canada. But, he explained, this agreement was conditional upon Canada's holdings of U. S. dollars remaining below a certain agreed maximum—in other words, the United States was not willing to continue this arrangement if our shortage of U. S. dollars should ease off. During 1943, unexpected deevlopment did increase Canadian holdings of U. S. dollars above the agreed figure, so Canada had to take steps to get rid of this dollar surplus. Mr.

(Continued on page 2, col. 5)

Pace of Business



Even before the tourist season started this year, Canada was playing host to more American motorists than the year before—the first time in several years. Tourism took its first big drop the year France fell, its second and greatest after Pearl Harbor. The vanishing tire and diminishing gas continued to push the tourist influx down until 1943's total was well under half of pre-war levels. The 1944 upturn may be cut down when the latter and more important half year's figures are in. But, now, the 47% increase for the first six months seems to indicate a turn in the tide.

Alberta Interest Cut Not Favored

The Province of Alberta Bond and Stockholders' Protective Committee for Great Britain have replied to Alberta Premier E. C. Manning's letter to them of March 31, 1944. While the text of their reply is not yet available, it is reported that the British are not in accord with Premier Manning's suggestion that the Province of Alberta is entitled to a lower rate of interest than 4%.

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Educating Airmen for Peace

Personnel Selection Machinery Goes Into Reverse

Having distinguished itself in selecting the right man for the right war job (see The Financial Post, July 22, p. 8) the RCAF has already started its personnel selection machinery in reverse and is tackling the even harder task of finding the right demobilized airman for the right peacetime job.

Other departments of government have the responsibility of actual rehabilitation of services personnel upon demobilization, but the Air Force is making a serious business of its new "pre-rehabilitation counsel" and, according to Personnel Selection & Research Director Group Capt. S.N.F. Chant, it expects valuable results. "Entertainment," says Group Captain Chant, "is losing its appeal. Service personnel want to be doing something that will help them in the future. What has been needed is something positive to reduce anxiety about where they will fit into the coming peace."

The RCAF thinks it has found that "something."

Every RCAF man and woman here or abroad will get an opportunity to consult with a trained personnel counsellor, it is stated. This, considering wide dispersion and numerical strength of Air Force personnel, means that a great many counsellors must be selected, trained and posted. It means too that there must be basic uniformity for the counselling procedure. And, it is pointed out, there must be due caution to ensure that emphasis on civil employment doesn't occasion expectation that the war is all but over.

Big as the job is proving, its organization is taking shape rapidly, Group Captain Chant informs The Post. He outlines the procedure:

"All RCAF personnel counselling material is provided in standard form. A highly uniform approach has been worked out to ensure adequate coverage yet limitation to present war needs.

"People, of course, differ widely in their abilities, interests, aptitudes and material resources and the working world provides a diversity of occupational choice. For a point of departure we have chosen the individual's present Air Force trade, air or ground. This choice meets the purpose because the individual was selected in the first place on the basis of aptitude measurement, educational and occupational history. Moreover, he has been carefully trained in his Air Force trade and tested regularly to determine his level of experience and proficiency. In short, from our point of view, an airman's or airwoman's trade, rank and grouping define present status and link ability and training to the working world.

"The first step is to review in detail just what the individual's service trade means in terms of career planning and the general use to which service training and experience can be put.

Relating the Opportunities

"Secondly, we must relate these assets to anticipated occupational opportunities. Some Air Force trades are almost equivalents of certain civil trades, and the tradesman would require little educational training to suit him for such a civil trade. But the values derived from recent training and experience may be utilized to advantage in occupations that are not so closely allied to the Air Force trade.

"In general, however, the survey in trade training and experience leads to a classification of occupations which are at least broadly related to the individual's Air Force trade. For example, it is recognized that an aero engine mechanic has acquired skills and qualifications that are pertinent in the field of mechanical and technical occupations generally; but they are also valuable in a wider range of occupations and these must be considered in career planning.

The Classification Test

"To provide a systematic classification of various types of suitable occupations, three major groupings are being employed. These are termed (1) professional occupations; (2) vocational occupations; and (3) skilled occupations. Since RCAF personnel have been selected on a relatively high standard, there are few who would be classed at the level of unskilled labor. For this reason, an 'unskilled' grouping has been omitted, although the group of so-called 'skilled occupations' covers many semiskilled trades.

"The suitability of an airman or airwoman to consider a career at one or other of these three levels is determined on the basis of his or her score on the RCAF Classification Test. This is a general ability test of about high school level which has been used for the primary selection of recruits. Each of the occupational levels or grouping mentioned previously is subdivided into three subgroupings. When the reference is to Air Force mechanical and aircrew trades, this is on the basis of the degree of mechanical aptitude required; but, of course, it is on the basis of clerical aptitude when the reference is to administrative trades. Suitability for these subgroupings is determined by the recorded scores on the RCAF mechanical aptitude or clerical aptitude tests.

"The plan therefore employs the RCAF Classification Test for the primary classification of personnel into three levels, while subsequent classification is based on the mechanical and clerical aptitude tests.

The Kind of Advice

"Detailed occupational information for career planning will be provided in two forms.

"First, a series of occupational monographs has been prepared. These describe briefly the present status of the occupation in Canada, the nature of the work, the qualifications and preparations required, advancement opportunities, earnings and working conditions.

"In addition, charts are provided designed to show for the various occupations (1) the occupational requirements; (2) 'readable' books of value; (3) training required; (4) what the individual can do while still in the service to prepare for the career; and (5) the fields of employment which the occupation provides."

Group Captain Chant repeatedly states that this program is not one that emphasizes any finalization regarding job placement. It is, he says, merely a counselling program placing before the individual facts about himself and his training, and helping him relate these facts to whatever facts may be ascertainable regarding postwar civil employment.

On the basis of these facts the individual can plan his future in terms of a career. The program is directed definitely toward helping individuals to utilize their free time in order to prepare for demobilization. That is why, as Group Captain Chant puts it: "all counselling for the present leads up to taking advantage of present RCAF facilities for extending training and experience in accord with a career plan.

Courses Are Provided

"Most of such preparation will be derived through educational courses and supplementary technical training courses. Follow-up interviews will be conducted to encourage progress in the courses and to adjust career plans to changing conditions.

"As the time of demobilization draws near, the counselling program will be widened to provide more definite vocational guidance. Immediate governing viewpoint is that those who are best prepared will be in the best position to take advantage of occupational opportunities existing when the war ends.

"And there is a broader consideration. As Air Force personnel shape career plans and find employment in keeping with them, there will open up opportunities for advancement which will contribute to employment stability throughout the country.

"The more the long range viewpoint directs our rehabilitation plans, the more successful will rehabilitation efforts be in helping solve any unemployment problems arising 10 or 15 years after the war ends."

WAR-TIME SAVING
for NATIONAL and PERSONAL SECURITY

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A220

Rail Pay Increase Seen Undermining Control

(Continued from page 1)

der review were not only representative of all parts of Canada but also of the various types of industry in the country, and care was also taken to make sure that the establishments examined and studied had in their employ a wide enough range of classifications to embrace classifications reasonably similar or comparable to as large a number as possible of railway classifications.

"Similar information was obtained with respect to wage rates received by employees in these same establishments at the date of this application and comparisons were made with wage rates received by railway employees at the same dates. The figures used for comparison in all instances included the cost-of-living bonus then being paid. This comparison showed that employees in other industries in Canada had received wage increases in excess of those received by employees in the railway service.

Rail Wages Low

"It was apparent that the wages paid in some of the classifications in the railway service at the commencement of the war were low as compared with those paid in other industries. In other classifications, however, they were high, and, therefore, it was necessary that this fact receive proper consideration when comparisons were made. Due allowance had to be made for the security and pension rights enjoyed by employees in the railway service as compared with those enjoyed by employees in other industry.

"It was necessary to keep in mind also that among the many classifications considered, a higher degree of skill is generally required for employees in the railway service. In considering the results of the study and examination made, the Board also kept in mind the fact that large wage increases in some classifications in other industries in part, at least reflected the wartime demand for skilled labor."

Award Half Sum Asked

The six cents actually awarded was, of course, in addition to the 10 cents cost-of-living bonus which had meanwhile been added to the basic wage rate, and thus reduced the margin demanded by the rail unions from 23 cents to 13. Thus the award, as finally granted, amounted to nearly half the sum asked.

As it is retroactive in some cases as far back as March of last year, the award represents a considerable bonus for rail workers. As it happens, some of the lowest-paid workers will have the longest period of retroactivity, so that their lump-sum payment will run in the neighborhood of $200 apiece.

Bank Act Talks Fill 1,500 Hansard Pages

After devoting approximately two and a half months to consideration of amendments to the Bank Act, in which period they listened to nearly a score of witnesses, made several amendments and rejected several others, members of the Banking and Commerce Committee wound up this phase of their activities last week. Early this week they began study of the Farm Improvement Act, which has as its purpose the widening of credit facilities to farmers.

The important Industrial Development Bank measure has still to be considered, as well as other measures of somewhat lesser moment.

Fill 1,500 Pages

Evidence given before the committee and discussion back and forth between the members during consideration of the Bank Act filled nearly 1,500 pages of the Hansard report.

Much of the time of the committee was taken up by G. G. McGeer, (Lib., Vancouver Burrard), and A. G. Slaght, (Lib., Parry Sound, Ont.). Amendments by both these members were defeated, as well as one by E. E. Perley, (Prog. Con., Qu'Appelle, Sask.), which proposed renewal of the banks' charters for a two-year instead of a 10-year period, and complete overhaul of the Canadian banking system in the two-year period.

Among the witnesses heard were ranking officials of Canadian banks, including S. M. Wedd, president of the Canadian Bankers' Association, A. K. Harvie, secretary, and James Stewart, assistant general manager, of the Canadian Bank of Commerce, Robert Rae, general manager of the Dominion Bank, B. C. Gardner, general manager of the Bank of Montreal, H. T. Jaffray, general manager of the Imperial Bank, and S. G. Dobson, general manager of the Royal Bank.

Also on the stand was Graham F. Towers, governor of the Bank of Canada, while two Government officials who were in constant attendance as witnesses were Dr. W. C. Clark, deputy minister of finance, and C. S. Tompkins, inspector general of banks.

Gilbert E. Jackson, consultant on economics, was also a witness, appearing for the Canadian Retail Federation, whose brief was presented by its president, P. K. Heywood. Representations were also heard from the United Farmers of Canada, Saskatchewan Section, through F. T. Appleby, president, and G. R. Bickerton, director.

New Aluminum Not Freed Yet

With War Needs Absorbing Available Plant, No Civilian Production

By STAFF WRITER

OTTAWA.—Clearing the way by U. S. Authorities for production of a wide variety of aluminum products for civilian use is not expected to have any repercussions in Canada.

While there is plenty of raw aluminum in the non-axis world today, there is still a critical shortage, in Canada, of fabricating capacity. This applies to fabrication of sheets, manufacture of aluminum foil, and in fact almost everything but aluminum forgings. This situation is expected to continue until the end of 1944.

At one time it was hoped and expected that Canada might recommence manufacture of aluminum foil for packaging of tea, cigarettes, etc. But fabricating capacity was needed for making radar interference "streamers." Thus this capacity is now entirely booked by Britain until the end of the year.

"Window Dressing"?

It is thought here that much of the current reconversion excitement at Washington may turn out to be little more than "window dressing" for most firms and consumers so far as 1944 is concerned. The four important reconversion orders which Donald Nelson told the Truman Committee last June were going to be issued at once, are now to be "staggered." The first of these is the aluminum order which was finally issued last week end. The next, the order permitting "working models" of postwar goods to be made, is to be issued July 22. The other orders about machine tools and permission to make civilian goods in noncritical labor orders are to be put into effect Aug. 1 and Aug. 15 respectively.

There has been much backing and filling about these orders with strong objection raised by manpower and army authorities. Overriding considerations of manpower and material shortages in many areas in the U. S. are expected to dilute effectiveness of these orders for the present at least.

Hislop Gold Mines shareholders will consider an agreement with Frobisher Exploration Co. Ltd. at a meeting August 8 whereby all assets of the present company would be transferred to a new 4,000,000 share company, Hislop Gold Mining Co., for 952,413 shares, permitting a one for three exchange. The new company would also acquire an additional 22 claims in Guibord twp. for 660,000 treasury shares and Frobisher has agreed to take down 350,000 new shares for $35,000 and with Transcontinental Resources would receive an option a 1.5-million shares to bring in a total of $495,000. Hislop assets include a 475 acre property in Hislop and Guibord twps., and various mining and industrial investments.

Mexican Light & Power Co. reports March, 1944 net earnings of $136,386, compared with $307,661 in March, 1943. This reflected a drop in gross earnings for the month amounting to $25,887, and a rise in operating expenses and depreciation totalling $145,388. The company states that during the month shortage of water made it necessary to impose restrictions on the use of electrical energy, which reduced gross earnings. At the same time, a substantial steam production was necessary, causing an increase in expenses. For the three months ending March 31, net earnings dropped $318,656 from 1943, to $670,234. The increase in expenses amounted to $405,081.

Textile Bonus Order Awaited

By STAFF WRITER

OTTAWA.—As yet, no official word has been received by WPTB officials either here or in Washington, that the 7% "export premium" on cotton textiles purchased by Canada in the U. S. has been removed.

Expectation, on the basis of Washington reports, was that an order classifying Canada as a "domestic" market so far as the U. S. suppliers were concerned, would be issued effective July 15.

As indicated in The Financial Post last week, there will be no official objection raised by Canada if such an order is issued from Washington. It is believed here that such an order is in course of preparation, judging by representations which have been made by various groups at Washington.

That it has not yet actually been issued does not surprise Canadian officials, who know full well the complexities of OPA machinery compared with the relatively simpler processes by which orders are cleared and declared here in Canada.

East Kootenay Power Earnings Down in June

From Our Own Correspondent

MONTREAL. — East Kootenay Power Co. reports for June a decline both in gross and net earnings (before income and EPT provision). For the first three months of current fiscal year, gross was higher but this gain was more than offset by increased operating expenses due to low water conditions and necessity of using the steam plant.

Comparative figures follow:

June:	1944	1943	Decrease
Gross	$61,448	$65,864	$4,416
Op. exp.	23,405	24,774	1,369
Net	$38,043	$41,090	$3,047
Three Months:			
Gross	$197,997	$187,860	*$10,137
Op. exp.	82,848	69,289	*13,559
Net	$115,149	$118,571	$3,422

*Increase.

M. & O. Profit Lower In Second Quarter

From Our Own Correspondent

MONTREAL.—Consolidated statement of Minnesota & Ontario Paper Co. and directly or indirectly wholly owned subsidiaries for the quarter ended June 30 shows net income at $369,917 against $378,603 in corresponding 1943 period. Net sales for the quarter totalled $6,134,874 against $6,260,930 last year.

For the first six months of this year, net income was $607,741 against $722,026 in first half of last year. Net sales were $11,865,190 against $11,950,995.

Unemployment Ins. Act Embraces New Groups

Certain classes of processing closely related to agriculture and horticulture have been brought under the Unemployment Insurance Act following discussions in June by the unemployment insurance advisory committee under chairmanship of Dr. W. A. Macintosh, Dept. of Finance. Recommendations have not been made yet for inclusion of other additional classes of employment.

Montreal Curb Market has admitted to trading on the unlisted section the following stocks—Burns & Co. Ltd. "A" common, Burns & Co. Ltd. "B" common, Claude Neon General Advertising, Ltd., preferred, Hayes Steel Products, Ltd., common, Wasa Lake Gold Mines.

Montreal Stock Exchange and Montreal Curb Market report that market valuation of listed stocks (excluding bonds) on June 30 totalled $5,098,216,063 against $4,764,486,883 month before and $4,735,550,178 year before. Among the groups, base metals and mines showed the greatest improvement over month before. Only the utility group showed a decline.

Govt. Over-all Program For Postwar Emerging

(Continued from page 1)

the immediate postwar rough spots, and those of a permanent nature, such as family allowances and the health measure.

In some of the measures, of course, the dividing line between these two classifications may prove to be quite thin. Floor prices under agricultural products, for instance, might conceivably become a permanent part of the economic setup, as well as the export assistance measure. Political conditions in Canada, as well as conditions abroad, may prove to be governing factors in this regard.

Follows Throne Speech

The projected measures follow closely the program as laid down in the throne speech at the start of the present session.

Assistance in developing export markets after the war was promised, as well as housing legislation to amend and supplement existing laws.

A "nationwide system of health insurance," worked out in conjunction with the provinces, as well as a "more generous basis" of old age pension contributions, were promised. Some time ago, the House agreed on a greater federal contribution to the old age pension schemes of the provinces.

"To aid in ensuring a minimum of wellbeing to the children of the nation, and to help gain for them a closer approach to equality of opportunity in the battle of life," the throne speech said the House would be asked to approve family allowances.

Other measures promised in the throne speech, and implemented some time ago, were those providing for the establishment of new departments of reconstruction, veterans' affairs and social welfare, while special measures to further the re-establishment of service men and women, and to care for those who have suffered disabilities, have also been passed. War Assets Corp., set up to dispose of surplus war materials, will be a factor in smoothing the change-over from war to peace.

"Postwar planning," said the throne speech, "falls naturally into three broad fields: preparation for the demobilization, rehabilitation and re-establishment in civil life of the men and women in the armed forces; the reconversion of the economic life of the nation from a wartime to a peacetime basis, and its reconstruction in a manner which will provide opportunities for useful employment for all who are willing and able to work; and the provision of insurance against major economic and social hazards."

What it boils down to is that the Government has now pretty well placed before Parliament and people its plans to keep Canada a going concern in the difficult postwar years. Whether they are economically sound or otherwise, whether they can be worked out in the light of the uncertainties of these postwar years, will be a matter for the future to decide. In any event, they do provide a good, solid bite for the electorate to chew on in the coming federal elections.

$27.4 Millions Air Route Unlikely to Get Much Use

(Continued from page 1)

Ilsley outlined these steps as follows:

"In addition to immediate payment for certain past purchases of American equipment and supplies, the Canadian Government has undertaken to reimburse the United States for all the airfields constructed by the United States Government in Canada."

Most of this reimbursement, which totals $76.8 millions for American expenditure and another $34.7 millions we spent ourselves on the original understanding that Washington would reimburse us, will go for bases of indisputable postwar value. The Northwest Staging Route will be the main artery to the Orient and to Russia via Siberia, the latter a route already in full use for delivery of American planes to Russia. Goose Bay, in Labrador, will be an invaluable way station on the airway to Europe, and it has the greatest advantage over Newfoundland bases of good flying weather most of the time the year round.

Little Use Likely

Of the Hudson Bay Air Route, however, little postwar use is expected. Even under war conditions, when profit was not a consideration, the route has not proved feasible—bad weather is almost constant at the major way stations, and little more than experimental flights along the route have been made. It's true that the winning of the Battle of the Atlantic in 1943, permitting shipments of fighters and short-range planes by sea, removed some of the need for the short hops of the Hudson Bay Route, but most Canadian aviation experts think the route couldn't have been used anyway.

But they don't quarrel with the decision to buy it back from the Americans. For one thing, if we hadn't spent the $27 millions that way we'd have lost it some other way, perhaps by cancellation of more U. S. War Department contracts, in order to cut our U. S. dollar supply to the agreed maximum. For another thing, most aviation men favor taking every step to ensure Canada's absolute, undisputed sovereignty in all matter pertaining to air installations on Canadian territory. Most of the installations we've bought back are vital links in any postwar air setup. They were bought back, in part at least, to make sure that no United States Senator should have any motive for rising to clamor for a permanent United States equity in U. S. war expenditures in this country. To leave a handful of useless installations unpaid for, and perhaps have them built up into another Canol fuss in Washington, impresses these observers as shortsighted economy.

Also, they point out that the bases will have two rather limited functions even now. They will give the Department of Mines and Resources an additional contact with the North West Territories, and it will help research on Arctic weather and other conditions.

Base Metals Mining May Consider Closing

Unless additional men are obtained it may become necessary to consider closing down the operation, President J. H. C. Waite advises Base Metals Mining Corp. shareholders in the half-yearly report. Since milling was resumed on June 15, last, daily tonnage has averaged 115 tons or 40% of rated capacity. Extensions of approximately five months have been obtained on lead and zinc contracts.

While the plant was being rebuilt a small amount of development work was done in the Kicking Horse mine which added a minimum of 10,000 tons of 15% zinc ore to reserves.

CPR Earnings Reach New Record Levels

From Our Own Correspondent

MONTREAL.—Earnings of Canadian Pacific Ry. for June and the first six months of this year established new high records for any corresponding periods. June net was up over $117,000 over last year, while six months net showed a gain of nearly $1½ millions.

Comparative figures follow:

June:	1944	1943	Increase
Gross	$26,656,986	$24,698,217	$1,958,769
Exps.	22,118,529	20,276,780	1,841,749
Net	$4,538,457	$4,421,437	$117,020
Six Months:			
Gross	$154,575,055	$136,231,531	$18,343,524
Exps.	131,894,640	115,028,369	16,866,271
Net	$22,680,415	$21,203,162	$1,477,253

INVESTORS' INDEX

Aug. 5, 1944

Abitibi	5	Can. Perm. Mtge.	4
Beauharnois	8	Can. Vickers	10
Bell Tel.	13	CPR	1, 2
Brazilian Tr.	10	Distillers Corp.	3
Brompton P.	13	Foundation Co.	8
Brown Co.	13	Landed Bk. & L.	4
Can. Bread	4	St. Lawr. Paper	8
Can. Car	3	Stelco	16
Can. Celanese	8	Utd. Fuel Inv.	13
Can. Cement	8	Utd.-Whelan	5
Can. Inv. Fund	4	Zellers	3
Can. Iron Fdries.	5		

MINES AND OILS

Ace Yknife	15	Macfort G. M.	15
Amal. G. Fields	15	Madsen R. L.	14
Aunor	15	Major Cons.	14
Auterra	15	Malartic G. F.	15
Base Metal M. C.	2	Masco Yknife	15
B. E. A. R.	15	Mascot Malartic	14
Blondor Que.	15	McIntyre-Porc.	14
Bravo Yknife	15	McVit.-Graham.	14
Can. Malartic	15	Mex. Lt. & Pr.	2
Delhi G. M.	15	Mid-Continent	14
Dome	14	Morrie Yknife	15
Donalda	14	M. & O. Paper	2
E. Malartic	15	N. A. Timmins	14
E. Kootenay Pr.	2	O'Leary Mal.	15
Empire Pete.	14	Omega	14
Fleetw'd Yknife	15	Parbec Malartic	15
Goderich Yknife	15	Perron G. M.	14
Granby Cons.	14	Powell-Rouyn	14
Hallnor	14	Preston E. Dome	14
Hutchison Lk.	15	Sladen-Malartic.	15
Irvin-Porc.	15	Steep Rock	14
Jeph Yknife	15	Sullivan Cons.	14
Kerr-Addison	14	W. Malartic	15
Kimberley Y.	15	Wesreserve	15
Lake Shore	15	West-Bay Y.	15
Lake Expanse	14, 15	Windsor Yknife	15
Leitch	15	Yellowknife G.	15
MacL. Cockshutt	14		

Div. Payments Decline In July From 1943

From Our Own Correspondent

MONTREAL. — Dividend payments in July on stocks listed on the Montreal Stock Exchange and Montreal Curb Market totalled $18,383,637, a decline of $1,383,266 from July, 1943. For the first seven months of this year, however, payments were up $5,066,130 over like period of last year, at $142,584,312.

Among groups, chief decline in payments was on utility stocks—to just over $3 millions from nearly $5 millions—due largely to omission of usual Montreal Power dividend. Among groups on which payments were increased were food, milling, iron and steel, textiles.

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THE WASHINGTON LETTER

First Overseas Airline Hearings Mark Wane of "Chosen Instrument"

By LAWRENCE SULLIVAN

WASHINGTON.—A major decision on U. S. international aviation policy was indicated last week (although not announced formally in terms) when the Civil Aeronautics Board began public hearings on the first of a series of transoceanic route applications.

Specifically the hearing is on the application of American Airlines, one of our principal domestic air transport systems, to acquire controlling stock ownership in American Export Airlines, which has a favored seniority position on several overseas applications. But behind the hearing lay the whole issue of the "chosen instrument" policy, under which overseas air operations would be pooled in one or two great corporations chartered by Washington and vested with a virtual monopoly.

Without grasping this difficult issue boldly, the Civil Aeronautics Board gave emphatic notice, by the nature of its enquiries and proceedings, that the "chosen instrument" policy is practically overboard, in favor of competitive operations on the overseas routes, much along the lines of prevailing domestic transport.

• • •

Most Favor Competition

This competitive policy, still in the formative stage, apparently is in line with majority sentiment in the Interstate Commerce Committees of the House and Senate. Both committees have had special subcommittees at work for several months on postwar aviation policy.

The Civil Aeronautics Board has been drifting away from the "chosen instrument" policy for more than a year, having announced in April 1943 that it would accept applications for overseas routes, subject to later hearing. On June 13 this year the Board published its own list of 20 prospective routes over the Atlantic and Pacific, to provide a broad working basis for the formal hearings.

This action was lauded by most of the airline executives, who have pooled their postwar plans in the Airlines Committee for U. S. Air Policy.

"To delay hearings and decisions as demanded by advocates of the monopolistic chosen instrument, or to create a chosen instrument by Act of Congress, would result in the United States turning over to other nations the rule of the postwar commercial air," said S. J. Solomon, chairman of the Airlines Committee. "The Congress was right when it passed the Civil Aeronautics Act of 1938. The results prove it. We have an air policy that has been completely successful. Let us stick to it—competition to the extent necessary to assure sound development of foreign and domestic commerce."

While this expression does not embody the unanimous attitude of the domestic air operating officials, it does represent an effective working majority of sentiment within the industry. Chosen instruments—a policy attempted for a time in commercial shipping after the last war—proved costly and inefficient beside competitive operations. Political entatnglements and administrative log-rolling became for a decade a major aspect of shipping management. Today our experienced air executives fear a similar venture in overseas air transport.

• • •

Political Tug-of-war

The postwar planning technicians attached to the White House staff have been plugging assiduously for some form of the chosen instrument policy in the air, and their pressures have been responsible in large measure for the reluctance of the Civil Aeronautics Board to proclaim a clearly defined policy, as demanded by the air transport industry and by Congress.

Unable to force their ideas on the CAB, the planners yet are sufficiently influential to block all alternative proposals. The CAB in turn can do no more than strangle "chosen instrument" from day to day as opportunity affords.

• • •

Warplane Disposal Orders

The prospect of some 16,000 surplus aircraft of transport type after the war has increased official pressure here for an immediate beginning on postwar air policy.

Preliminary surveys by aircraft production managers indicate an over-all surplus of perhaps 50,000 planes of all types, of which 16,000 (now bombers) will be convertible to transport service. The magnitude of this problem is suggested by the fact that prior to the war all the air lines in the world used fewer than 2,000 transports.

W. L. Clayton, Surplus War property Administrator, issued a special report July 27 from his Surplus Aircraft Advisory Subcommittee recommending "disposal in an orderly and controlled manner, at reasonable prices, using normal trade channels."

"Surplus aircraft not disposed of at the end of three years following the cessation of hostilities should be classified as unabsorbed surplus, to be utilized only for nonflight purposes, salvage and scrapping," the report concluded.

As regards transport craft, the advisory committee anticipates first "a period of short supply, during which the surplus property administrator must effect an equitable distribution among domestic and foreign applicants."

These applications will be cleared with the advice and approval of the Civil Aeronautics Board.

"Ultimately supply will exceed demand. Aircraft manufacturers should be permitted to act as government sales agents, for a reasonable fee. Aircraft should be sold "as is" leaving purchasers to make their own arrangements for overhaul and conversion. Methods of disposal should include lease, cash sale, installment sale. Prices should be uniform to domestic and foreign purchasers, and should remain firm during the disposal period."

—Ashley & Crippen.

EXPORT MANAGER

C. S. Pope, new export manager of Gutta Percha & Rubber Ltd., Toronto, succeeds Leonard L. McMurray, retired. Mr. Pope joined the company in 1919 as a clerk after five years overseas in World War I, has been assistant export manager for the past ten years.

Capacity Liquor Output Is Planned by Distillers

Canadian Company to Operate its U. S. Plants 24 Hours a Day During August "Holiday" From War Work — Earnings Recover

From Our Own Correspondent

MONTREAL. — Distillers Corp.-Seagrams, Ltd., is planning to operate its plants in the United States in production of alcoholic beverages at the maximum rate possible, during August, for which month the United States WPB has authorized a "holiday" from production entirely for war purposes. The huge plants are to be operated 24 hours a day, six days a week.

In Maryland and Indiana, water conditions are said to be excellent, and output can be maintained at capacity rate. In Kentucky, operations at distillery plants usually are suspended from July until December, due to water shortage, but it is hoped to operate these plants on a limited basis during the "holiday."

Already the U. S. Government easement on activities of the distillery companies is resulting in increased supplies of matured liquors being made available for U. S. consumers. Deliveries have been stepped up at leading distributing centres by all distillery companies.

Has Large Inventories

Distillers Corp.-Seagrams is relatively well situated as regards stocks of matured spirits, particularly since its acquisition of Frankfort Distilleries, in which deal Seagrams obtained over 23 million gallons additional of whisky.

Just how much Distillers Corp.-Seagrams is planning to release from its stocks to the trade during the next few months is being kept a close secret by the company. The company has been able to maintain quality of its products, due to its large accumulation of matured whiskies, and is likely to follow a policy in sales, best designed to strengthen its position in the market.

Unofficial estimates of earnings for the fiscal year ended July 31, this year, indicate profits well above what the third quarter showing might lead one to expect. For the third quarter of the past fiscal year, earnings dropped to 18 cents a share on common from $1.50 in its like quarter a year ago.

Deductions Non-recurring

The abrupt drop however, was due to exceptional writeoffs, including the "last in first out" method of inventory accounting, and, for the third quarter of the past year particularly, due to writeoff of $4,764,280 as inventory adjustment, to absorb the new U. S. tax rates applicable to large "floor stocks." This deduction permitted a saving of nearly $3 millions in income and excess profits tax, but net nonrecurring deduction before net income available for dividend was $1,822,910.

Fourth quarter showing will be much better than in preceding three months, and in some quarters earnings not very far below those for the 1943 year (which were $5.13 a common share) are being looked for.

Shortage of Containers

Although amount of matured spirits to be released for consumption will be increased in the period immediately ahead, this increase in sales will not be reflected to any extent in past fiscal year's earnings, but will show up in first quarter statement for the forthcoming fiscal period.

One fairly effective limiting factor on the amount of liquor to be distributed for the balance of the calendar year is the current shortage of bottles and paper containers in the United States. This problem is one of the most serious now confronting larger distillers, although steps to meet the situation are likely to be worked out.

Censors Reveal Another Of Railway's War Jobs

Censorship was lifted last week on another phase of CPR's war job, adding naval fire-control devices to the railway's already long list of war products. Still to be told is the story of "other work for the Navy," which CPR states is still under censorship.

In three contracts totalling $1,192,000 for the Dept. of Munitions & Supply on British Admiralty account, CPR's Angus Shops at Montreal have produced between March 1, 1942, and July 31, 1944, some 120 highly specialized gunnery mechanisms—rangefinder directors, director control towers and range transmission sets. The first was produced while a contract was going forward in the same plant for more than 1,400 Valentine tanks for the Russians. In the latter stages the gunnery devices have been completed while another section of the shops was making main marine engines and condensers for RCN escort vessels, a contract which is continuing.

Specifications Exacting

The gunnery units are mostly of a plate structure with cast gear boxes and connections and with considerable electrical detail. Angus craftsmen got only brief special training, it is stated, before they were producing equipment to the Admiralty's close tolerances and fine finish requirements. Such manufacture in a shop regularly engaged in ordinary railroad repairs again exemplifies Canadian industry's versatility. The organization is headed by H. B. Bowen, chief of motive power and rolling stock, W. F. Sinclair, supervisor of range finders, H. R. Naylor, works manager, and T. F. Donald, assistant works manager (munitions).

Lacking certain gear cutting machines the shops awarded subcontracts for much of such detail. To speed up production, subcontractors were made responsible for entire sub-assemblies before delivery to Angus Shops for final assembly.

Directors $48,500 Each

It all began with working drawings from the Admiralty in March of 1941, calling for 12 rangefinder directors, costing $48,500 each, three of which were allotted to RCN auxiliary ships which since have taken part in the Normandy landing. The first was produced in March, 1942; and was the first of its type to be made in Canada.

In March, 1942, came a $180,000 order for high-low-angle director control towers, to be handled along with the earlier order. The first tower was delivered the following November, it is now revealed.

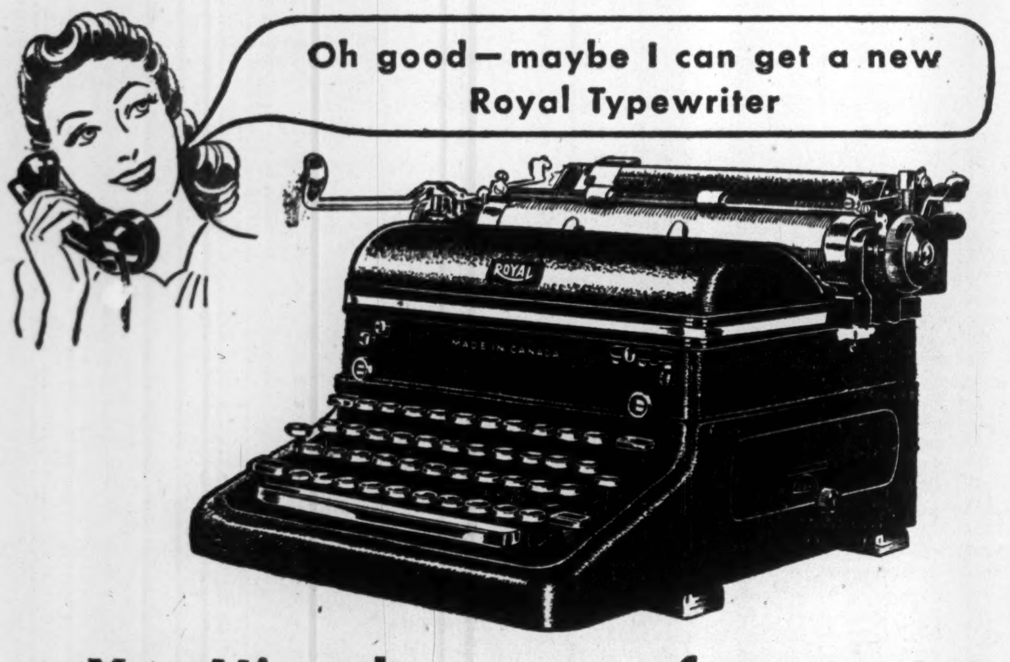
The contract completed this month was for 100 range transmission units at $4,300 each. These calculate range and speed from given observations, and transfer the findings to guns and gun controls with a range of 10,000 yards and limit of 600 m.p.h. for aircraft speed. Elapsed time between receipt of drawings of the range transmission units in April, 1943, and delivery of the first unit was five months and the shops then built up rapidly to the contracted rate of eight units a month, it is stated.

Cancar to Press Black Tom Claim

From Our Own Correspondent

MONTREAL.—L. A. Peto has resigned as vice-president and general manager of Canadian Car & Foundry Co., Ltd., in order to devote his full time to pressing the claims of Canadian Car's U. S. subsidiary for an $8 millions balance due for German sabotage to plants in the U. S. in the last war.

The U. S. subsidiary has received a part-payment on its claim, with collection of the balance contingent on arrangements for cash from sale of German assets seized in the present war. Mr. Peto has handled all work in connection with these claims of Canadian Car and its subsidiary, and recently has been giving considerable time to winding up the matter. Severance of connection with the parent company will permit him to give more attention to this task.



Yes, Miss, there are a few new Royal Typewriters Available!

Authorities have said 'yes'—a limited number of Royal Typewriters may be manufactured . . . *but*, these new machines are for essential use only, and subject to the approval of the Wartime Prices and Trades Board. For further details consult us or your nearest authorized Royal Dealer.

ROYAL TYPEWRITER COMPANY LIMITED

Head Office and Factory: 7035 Park Avenue, Montreal

Authorized Royal Dealers in all Principal Cities across Canada

167

Have a Coca-Cola = Come on over

. . . or keeping youth happy at home

Keeping young folks happy at home is mostly a matter of having a house in which they and their friends feel welcome. A radio, or a phonograph and some records; a place to dance, a little food and they're happy. And don't forget Coca-Cola : : : it's always a big attraction for the young crowd. It says better than words, *Come on over . . . we're glad to see you.* Be sure there's "Coke" in *your* icebox. In all the world there's no more cordial invitation, nor one more refreshing, than the three simple words : : : *Have a "Coke."*

It's natural for popular names to acquire friendly abbreviations. That's why you hear Coca-Cola called "Coke".

THE COCA-COLA COMPANY OF CANADA, LIMITED

590

New Zeller's Stock For Expansion Voted

From Our Own Correspondent

MONTREAL. — Stockholders of Zeller's, Ltd., at a special meeting voted approval of a new by-law authorizing 80,000 new $1.25 cumulative preferred shares, and immediate issuance of 40,000 of these shares.

Proceeds of the proposed financing would be used for development of three new store sites—two in Montreal and one in Vancouver—as soon as wartime regulations permit building operations, as well as for possible other expansion.

Cigarette Consumption Drops From Year Ago

From Our Own Correspondent

MONTREAL. — Reflecting continued effect of heavy taxation on cigarette use, the number of cigarettes released for consumption in May totalled 889.1 millions, a decrease of 18 millions, or 2%, from corresponding month last year, but up 207.4 millions, or 30.3%, over preceding month.

For the first five months of 1944, 4.6 billion cigarettes were released for consumption, a decrease of 3.7% from like 1943 period, which total was an all-time record for similar five months period. The 1944 figure for five months was nearly double the pre-war rate of consumption.

400 million meals a year

It's just a matter of simple arithmetic. You see, well over 400,000 Canadians buy POPULAR PUBLICATIONS on the newsstands, month after month. They all eat three *good* meals a day—for they're a wage-earner audience, mostly employed in war-busy industry. So just multiply these figures by the 365 days in the year and you get the answer.

It all adds up to the evident fact that MR. and MRS. POPULAR'S heaping shopping basket represents too good a market to miss! Yet, your advertising can't cover that market effectively unless it appears in the POPULAR FICTION GROUP. Readers buy our magazines regularly because they are *all fiction*. Their preference for top-quality POPULAR fiction is proved by our ever-mounting circulation—175,000 in 1941—400,000 A.B.C. today! No other Canadian magazine approaches the POPULAR GROUP'S mass circulation (and no other Canadian magazine comes anywhere near matching our low page rate). Ask your advertising agency for the details, or just write us.

QUICK FACTS....

● The POPULAR Group comprises 19 complete magazines per month. Advertisers buy the group as a single unit. The same advertisement appears in each magazine, so you have just one plate cost. 100% of circulation is in newsstand sales, meaning greater reader interest. A.B.C. circulation is 400,000; actual circulation runs over 425,000 monthly.

POPULAR PUBLICATIONS INCORPORATED

100 ADELAIDE ST. W. TORONTO, CANADA

Clothes by

Levy Bros.

Are a Sound Investment

At a time when economy counts, it pays to order clothes that, because of their fine fabrics and workmanship, will continue to look well and feel well long after other clothes are discarded.

Choose now from our collection of distinctive British materials.

LEVY BROS.

69 WEST KING STREET, TORONTO

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We are pleased to announce that

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is now associated with this firm

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80 Richmond Street West - Toronto

Adelaide 6191

We have pleasure in announcing that

MR. J. E. DEWAR

has been admitted to partnership in this firm

BONGARD & COMPANY

Stocks — Bonds — Grain

80 King St. West — TORONTO EL. 5381

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SURVEY OF CANADIAN OILS 1944

Just a few copies left. Order now for immediate delivery. No further printing of this edition will be made.

This comprehensive book blankets Canada's oil and gas industry, gives up-to-date facts on some 700 companies and oil royalty issues. A full chapter is devoted to maps of oil and gas areas in Western Canada. Ten year price-range table of oil and gas stocks included. Nowhere else can you get all this information so conveniently in one volume.

PARTIAL CONTENTS: Company earnings and dividends; price range for principal oil stocks; production records; location of properties and head offices; maps; subsidiary and associated companies; working capital; directors, transfer agents, and exchanges where shares are traded; statistics on Canada's oil and gas industry; data on oil royalties. A comprehensive list of dead, dormant and inactive companies.

The SURVEY OF CANADIAN OILS, 1944 edition, is indispensable to investors, well operators and equipment manufacturers—and others who rely on accurate information as a basis for important decisions.

180 pages. Size 5¾" x 8¾" **$1.00 postpaid**

THE FINANCIAL POST, 481 University Ave., Toronto 2, Ont.

Date ....

Please send postpaid ...... copies of The Financial Post **SURVEY OF CANADIAN OILS**. 1944 edition, at $1.00 a copy. Herewith $...... in full payment.

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What Profit in Oil Wells?

Manning Reports $18 Millions Dropped By Industry

From Our Own Correspondent

EDMONTON.—The CCF publicly is asserting it will form the Government of Alberta after the votes are counted Aug. 8. Coupled with this is their declaration that they will socialize Alberta's oil industry, the Calgary Power Company, and the province's breweries.

This splashing in oil and beer has brought revelation of facts on Alberta's natural resources from Premier Manning's Social Credit party, and the Alberta Petroleum Association. They show that under public ownership, Albertans wouldn't gain much from "the huge oil profits" which the CCF charges are now being earned by individuals, companies and corporations.

The Socialists charge the provincial government with "selling or giving away oil and mineral rights to individuals, corporations and companies," thus depriving the people of the benefits of oil. This the Social Credit Government has denied.

Companies Drop $18 Millions

According to the figures of the premier and the Alberta Petroleum Association, since the first well was drilled in Alberta, oil companies have suffered a loss of $18,374,000.

The oil companies have invested in the oil industry $136,780,000, and the gross income has been $118,404,000. In addition, the Alberta Government has collected in royalties, rentals on oil production and other taxes $13 millions without risking one cent of the people's money in oil exploration and development.

"If the oil industry had been developed under public ownership," Premier Manning declares, "the public debt of the province would have been increased by $18,000,000—and there would have been no revenue of $13,000,000."

In its program the CCF has the slogan "pay for social services out of the oil profits." Mr. Manning points out that under public ownership there would be no profits. He cites the 1,150 oil wells drilled in the province. Of these only 440 are producing oil, 175 produce dry gas and 535 are dry holes.

Claims Province Ended Sellout

He says the province has not given away or sold any oil or mineral rights, and adds "our natural resources were not turned over to us by the Dominion Government until 1930. Before that time the federal Government did sell and give away rights to Crown lands.

"Fifty-two per cent of the Turner Valley field—the only proven field in the province—was given away or sold before the province took over its natural resources. Last year, on the land under provincial jurisdiction, the gross value of all oil produced was only $7 millions. Deduct from that the cost of drilling, maintenance of wells, operation of refineries and distribution of the oil, and there's not much left over to pay for social services.

"I am not defending the oil companies. We have fought them for nine years. We have jumped royalties and taxes on them, imposed regulations and restrictions. We're no friends of theirs, and they claim we've persecuted them. But facts are facts under public or state ownership. The oil industry would be a liability to the people of the province."

Present Development Costly

In addition to the expenditures of the oil firms in drilling and production, their development program is costing them well over $1,000,000 a month—$200,000 over and above the net income which the oil industry is currently receiving from Alberta production.

Also receiving the brunt of attack is the CCF determination to socialize the Calgary Power Company by issuing $20 millions worth of 3% debentures. This would mean an added public debt of $20 millions Premier Manning asserts, and an annual interest payment to the debenture holders of $600,000, guaranteed by the public treasury. And farmers would be no nearer rural electrification than they are now.

As to the socialization of breweries, Mr. Manning just scoffs, and suggests the Socialists might as well socialize the laundries "and wash the whole thing up."

Saskats Recover Losses After Premier's Visit

Last week the majority of Saskatchewan bonds moved up 1½ to 2 points, recovering about a third of the ground lost by the time the CCF was returned to power on June 15. What was more important to bond dealers was that a real market in the bonds reappeared. For some time past the market had been so thin as to be almost non-existent.

One reason for improvement was the generally favorable reaction in investment circles to the eastern visit of Premier T. C. Douglas, Treasurer C. M. Fines, and Deputy Treasurer Thomas Lax.

At Ottawa, Premier Douglas had met a favorable reception from Finance Minister Ilsley on the question of farmer's seed loans, taken as indication that there would be no feuding between Saskatchewan and Ottawa.

During conversations at Toronto, it was inferred by dealers that Douglas planned no forced refunding, that the Saskatchewan Government would refund its obligations as they matured, and at rates justified by the province's financial condition.

The most recent Saskatchewan refunding was for $16,839,500 at 3¾% on April 15. Of this amount, $4,481,000 maturing April 15, 1947, and $4,466,500 maturing a year later were sold to the public, both in Canadian funds. Two other blocks, of $429,000 maturing April 15, 1947, and $430,000 maturing 1948, were also sold to the public, payable optionally in Canadian funds or sterling. The balance of the refunding—$7,033,000—was issued to various provincial funds, and matures April 15, 1954.

Next important maturities for Saskatchewan are July 2, 1945, when $2,250,000 of 4½'s falls due; Sept. 15, when another $3 millions matures. The earlier maturity is payable optionally London, New York and Canada, and the September maturity is in Canadian funds only.

Courtaulds To Expand

Will Build New Rayon Unit at Cornwall When Materials Available

From Our Own Correspondent

MONTREAL.—To meet anticipated increase in demand for its products after the war, Courtaulds (Canada) Ltd. is planning to erect a new manufacturing unit, which will have a productive capacity of between 8 million and 10 million pounds of rayon staple fibre annually.

The new unit is to be located at Cornwall, Ont., on property adjacent to the present viscose plant which has been operating since 1925.

Construction work is to be started as soon as building materials are available.

At the moment, under Government instruction, some 24 machines in the present Cornwall plant are being switched to manufacture of viscose yarn for tire cords, to meet urgent wartime needs. About half of this year's estimated output of 12½ million pounds of viscose yarn will be "high tenacity" viscose for use in synthetic rubber tire cord fabrics. With some exceptions, the balance of production of viscose yarn will go to the usual civilian purposes—dress fabrics, hosiery, lingerie fabrics, linings and draperies.

Four Reasons—Among Many

Canadians are holding and buying more Victory Bonds because they realize:

—that in 1944, Canada's war expenditures may be the highest of any year to date and must be financed.

—that increased war production will shorten the war.

—that Victory Bonds are the best safeguard against the needs of the future.

—that Victory Bonds are the most secure and saleable investment, and yield a good interest return.

There is no better investment than Dominion of Canada Bonds.

Hold and Buy More!

36 King Street West
Toronto
Telephone: ELgin 4321

Wood, Gundy & Company
Limited

C.I.F. Changes Its Holdings

Investment Trust Buys Mtl. Pr., Int. Pete. and Bank Shares

From Our Own Correspondent

MONTREAL. — Canadian Investment Fund, Ltd., during the second quarter of this year added to its holdings of Bank of Montreal shares, International Petroleum common, Montreal Light, Heat & Power Consolidated common, Royal Bank of Canada common, it is revealed in a statement to stockholders by C. C. Ballantyne, chairman, enclosed with current dividend cheques.

The investment company increased its holdings of Bank of Montreal stock to 300 shares from 200, bought 1,000 additional shares of International Petroleum common to bring total holdings to 16,000 shares, increased holdings of Montreal Power stock to 10,600 shares from 7,050 shares, bought another 100 shares of Royal Bank stock to bring its total to 300 shares. Another purchase was $200,000 par value of the Sixth Victory Loan 1¾% bonds due 1948.

Among sales, holdings of National Steel Car common were reduced to 9,000 shares from 10,000, and holdings of Consolidated Paper first mortgage 5½s of 1961 were reduced to $175,000 par value from $200,000.

The statement notes that these portfolio changes were effected on different dates and at varying prices, and should be considered in relation to the portfolio as a whole, "and should not be construed as indicating a favorable or adverse current opinion with respect to the investment character of the securities individually."

Outstanding special shares of the company increased by 82,786 during first half of this year to a new high total of 2,615,321, as of June 30. Total net assets of the company, computed on a liquidating value basis with securities valued at market quotations, were at an all-time high of approximately $10,218,000 on June 30, 1944, compared with approximately $9,319,000 on Dec. 31, 1943, it is stated. The increase during the six months of approximately $899,000 was due in part to growth in outstanding shares and in part to market appreciation in investments.

Financial statement of the company for the first six months of this year shows net income of $205,071, exclusive of $36,924 profit from sale of securities. This compares with net income in first half of 1943 of $209,911, exclusive of $96 profit, net, from sale of securities.

Hugh Bullock has been elected president of the company to succeed the late Calvin Bullock.

Canada Bread Earnings Hold

Sales Volume is Again Higher But Maintenance, Repairs, Major Problems

Years ended June 30:	1944	1943
Earned per share:	$	$
First pref. excl. ref.	18.95	18.47
First pref. incl. ref.	20.61	18.99
Class B excl. ref.*	6.48	6.24
Class B incl. ref.*	7.30	6.50
Class B excl. ref.†	4.10	3.94
Class B incl. ref.†	4.50	4.10
Common excl. ref.†	.30	.28
Common incl. ref.†	.35	.30
Paid:		
First preferred ...	6.00	6.00
Class B	2.50	2.50
Common	.10	.10
Working capital	269,263	130,427

* Before participation.
† After participation.
(Previous year figures bracketed below.)

Operating profit of Canada Bread Co. and its wholly-owned subsidiary rose to $805,335 ($793,476) in the year ended June 30, 1944. After depreciation and tax provision, net (excluding refundable EPT) amounted to $236,878 ($230,878).

Sales volume again increased, President C. H. Carlisle told shareholders. It now stands 107% higher than it did in 1934-35. Owing to scarcity of ingredients and of labor, the company has had to limit the variety of products and the quality of its service, but the president reported that customers were accepting these temporary conditions without complaint.

Income and excess profits taxes paid by the company totalled $290,000 ($225,000) of which $20,700 ($6,500) was the refundable portion.

Working capital at year's end was doubled, reflecting a rise in current assets, including cash of $281,978 ($270,341), Dominion bonds of $125,000 ($30,000), accounts receivable of $212,665 ($208,697) and inventories (less reserves) of $441,711 ($395,238). In addition the company has appropriated $200,000 in Dominion of Canada bonds for postwar rehabilitation of fixed assets.

Maintenance of bakery and motor equipment has been a greatly aggravated problem during the war, the president stated. He described the cost of bakery maintenance as 90% higher than in 1938. Total dollar cost of truck repairs and gasoline, in 1944, compared with 1938 was up 97%. On a per mile basis, this increase was 41%. Trucks now operating have been in service an average of four years.

Replacements and rehabilitation will be "quite material" when equipment becomes available, Mr. Carlisle stated.

Current liabilities of $792,091 ($773,850) included $481,472 ($505,467) of accounts payable, a reserve for taxes amounting to $256,244 ($214,008), plus dividend payable of $54,375 in each year. There was no funded indebtedness.

Canada Permanent Mortgage Corp. and **Landed Banking & Loan Co.** are reported to be considering a plan whereby Canada Permanent would purchase all the assets of Landed Banking at $1,250,000 in the proportion of $125 cash for each $100 par share of Landed Banking & Loan outstanding. Shareholders of both companies will meet Sept. 28 to discuss the proposal, it is stated. Landed Banking shares sold at 94¾ on July 27, closed Aug. 1 at 110 bid.

Joins Welch Anderson Company

S. A. Morrison, C.A.,
Who has been a member of the staff of the Comptroller of the Treasury attached to the Treasury Cost Accounting Division, Department of Munitions and Supplies, for the past three and a half years, has now resumed the practice of his profession in association with Welch Anderson Company, Chartered Accountants.

INFORMATIONAL BULLETIN

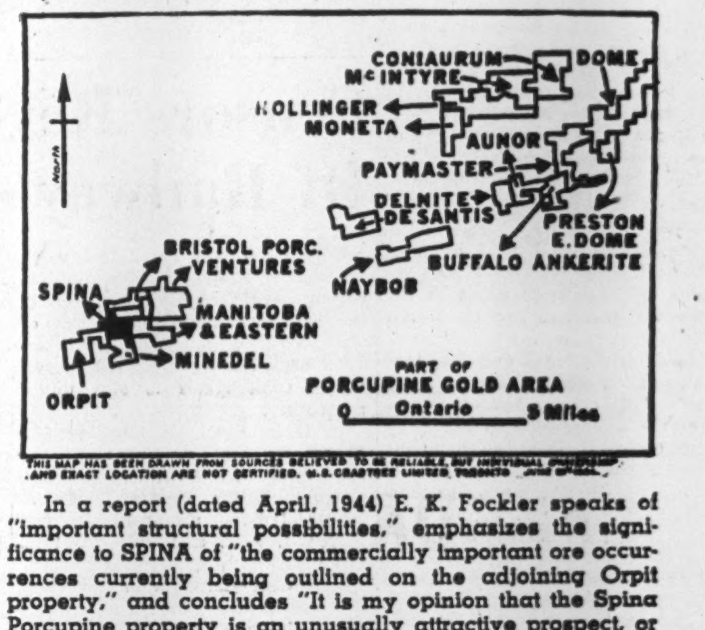
SPINA PORCUPINE MINES LIMITED

(No Personal Liability)

A Promising Gold Prospect in a World-Famous Area

An Ontario Incorporation
(No Personal Liability)
Total capital: 4,000,000 shares of $1.00 Par Value
Issued for property, 1,500,000 (of which 1,350,000 shares escrowed)
Issued for cash - 108,505 (as of July 25, 1944)
Treasury - - - 2,391,495
Head Office
36 Toronto St., Toronto
Registrar & Transfer Agents
Premier Trust Co.
Toronto, Ont.
Directors
W. R. Salter, K.C., W. G. Chipp, Carl Erickson, J. D. Reilly, J. S. Booth.

SPINA PORCUPINE'S 9 claims are situated in Bristol Twp., 12 miles from Timmins, on the westerly extension of the Porcupine Belt. Adjoining neighbors are Wright, Ventures, Lundberg, Manitoba and Eastern, Minedel and Orpit. The claims are accessible by truck road, and electric power is readily available when required. All factors indicate moderate exploration and development costs.



In a report (dated April, 1944) E. K. Fockler speaks of "important structural possibilities," emphasizes the significance to SPINA of "the commercially important ore occurrences currently being outlined on the adjoining Orpit property," and concludes "It is my opinion that the Spina Porcupine property is an unusually attractive prospect, or geological bet, fully justifying exploration along modern systematic lines at this time." A contract has been let for diamond drilling which will be under Mr. Fockler's supervision.

HEAD OFFICE: 36 TORONTO ST., TORONTO

Prince Edward Island Sells New Bond Issue

A syndicate composed of A. E. Ames, Wood Gundy, Dominion Securities and Eastern Securities have purchased a new issue of $1,250,000 Province of Prince Edward Island 12 year 3% bonds at a cost of 98.32 which represents a yield cost to the province of 3.17%. Proceeds of the loan will be used for refunding debentures due in 1944 and for paying off a bank overdraft. The bonds are being offered to the public at 99½ to yield about 3.05%.

Government of the Province of Alberta

NOTICE TO HOLDERS OF PROVINCE OF ALBERTA DEBENTURES WHICH MATURED FEBRUARY 15, 1940

The Province of Alberta will pay interest to **bona fide** holders of debentures of the above issue at the rate of two and one-half per centum per annum in respect of the half-year ending August 15, 1944, being at the rate of $12.50 and $6.25, respectively, for each $1,000 and $500 denomination.

Holders will be paid interest as above on presentation of their debenture or debentures for notation thereon of such payments of interest at any branch of the Imperial Bank of Canada in the Dominion of Canada. Debentures should be accompanied by the usual ownership certificate required by the Dominion Government as in the case of coupons.

Dated at Edmonton, Alberta, this 31st day of July, 1944.

(Sgd.) S. E. LOW,
Provincial Treasurer.

(Extract from The Alberta Gazette of July 31, 1944)

Classified ADVERTISEMENTS

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad. 12 words. Add six words when box number is required. When replies are to be mailed to advertiser, add 10c. Classified ads. payable in advance. Contract rates on application.

FOR SALE
VANCOUVER ISLAND

GENTLEMAN'S residential estate of 69 acres, within 2 miles of the well-known Cowichan Bay fishing grounds. Modern residence, comprising exceptionally beautiful living room, 21 x 29, with oak parquet floor, dining doom, den, kitchen with electric range, 5 bedrooms, 2 modern bathrooms, ample closets, large concrete basement, automatic heating system. Bungalow, hard tennis court, swimming pool. Farm buildings. Good water supply with 10,000 gallon concrete reservoir. High location. Southern aspect. Near main highway. Price $14,500.00. Further details from J. H. Whittome & Co. Limited, Duncan, B.C.

New Issue

$2,289,092.51

Township of East York

2¾% and 3½% Debentures

To be dated August 15, 1944 — To mature August 15, 1945 to 1968 inclusive

Principal and annual interest payable in lawful money of Canada at Toronto. Callable at 100 and accrued interest on thirty days' notice in reverse order of their maturities. Debentures are to be issued in coupon form with provision for registration as to principal.

Denominations: $1,000—1945 to 1961; $1,000 and $500—1962 to 1968 and one debenture for $1,092.51 in 1968

Legal opinion: Messrs. Daly, Thistle, Judson & McTaggart.

These debentures are a direct obligation of the Township of East York and each debenture will bear the Certificate of Validation of the Ontario Municipal Board.

The proceeds of this issue together with funds to be provided by the Township will be used to redeem on October 1, 1944 the balance of the debentures issued under By-Law No. 3015 and maturing in the years 1969 to 1979 inclusive, presently outstanding in an amount of $2,289,092.51.

Schedule of Maturities

Maturing Aug. 15	Coupon Rate	Amount	Price	Yield	Maturing Aug. 15	Coupon Rate	Amount	Price	Yield
1945	2¾%	$45,000	100.00	2.75%	1957	3½%	$30,000	100.00	3.50%
1946	2¾%	45,000	100.00	2.75%	1958	3½%	30,000	99.46	3.55%
1947	2¾%	46,000	100.00	2.75%	1959	3½%	30,000	99.43	3.55%
1948	2¾%	47,000	100.00	2.75%	1960	3½%	30,000	99.41	3.55%
1949	2¾%	48,000	100.00	2.75%	1961	3½%	30,000	99.38	3.55%
1950	2¾%	60,000	100.00	2.75%	1962	3½%	200,000	98.71	3.60%
1951	2¾%	60,000	100.00	2.75%	1963	3½%	205,000	98.66	3.60%
1952	2¾%	60,000	100.00	2.75%	1964	3½%	215,000	98.61	3.60%
1953	3½%	65,000	100.00	3.50%	1965	3½%	220,000	98.56	3.60%
1954	3½%	50,000	100.00	3.50%	1966	3½%	235,000	97.78	3.65%
1955	3½%	25,000	100.00	3.50%	1967	3½%	260,000	97.72	3.65%
1956	3½%	25,000	100.00	3.50%	1968	3½%	228,092.51	97.65	3.65%

(Accrued interest is to be added to the above prices in all cases.)

Of which debentures are available in the maturities [illegible] to 1968 inclusive.

We offer these debentures if, as and when issued and accepted by [illegible] to the favourable legal opinion of Messrs. Daly, Thistle, Judson & McTaggart. It is expected that the debentures will be available for delivery on or about September 1, 1944.

A circular describing the above issue will be mailed upon request.

McLeod, Young, Weir & Company, Limited
Bell, Gouinlock & Co., Limited
Mills, Spence & Co., Limited

The Dominion Securities Corporation, Limited
Wood, Gundy & Company, Limited
A. E. Ames & Co., Limited

The information contained in this advertisement is based upon statements on which we have relied. We do not guarantee but believe the statements herein to be true.

More About PLASTICS

Fluorescent plastic envelopes are making night map reading possible aboard Allied planes, ships and small boats without the need of blacked out quarters for the navigator.

These orange-red envelopes are made from "Plastacele" cellulose acetate plastic, as supplied in Canada by C-I-L, incorporating a fluorescent pigment. They emit a minimum glow sufficient to make descriptive material covered by the envelope visible under the black light of near-ultra violet rays.

Made in various sizes, these envelopes can double for writing pads. Markings may be erased and the surface re-used many times. Already at least one commercial airline is planning to make use of this interesting wartime development in its postwar operations.

A copy of complete technical reference manual "Plastics Supplied by C-I-L" will be sent to you upon request. Write on your firm's letterhead to C-I-L, Plastics Division, 904 Birks Bldg., Montreal, Que.

PF-9

Canada Iron Foundries, Ltd., has advised the Montreal Stock Exchange that they have purchased for cancellation 1,090 of the 6% non-cumulative preferred shares of $10 par value of the company's capital stock. Total number of preferred shares now outstanding is 386,690.

The Town Of Strathroy

Invites Industry

Population . . . over 3,000
Transportation . . . Main Line C.N.R.
. . . Two paved Prov. Highways

Proven Tobacco Growing Area
Complete Sewage Disposal for Post-War
Cheap Electric Power Costs
Excellent Water Supply — Nice Homes

Illustrated Pamphlets on Request

INVESTMENTS THIS WEEK

Discuss New Stock Deal For Settlement of Abitibi

Strength in Abitibi junior securities, which recently hit new seven-year highs, is attributed to growing optimism that some sort of capital rearrangement can be worked out, and the company removed from receivership as result of negotiations now actively under way.

Representatives of junior securities have been meeting with the Hughes Committee (appointed by the Ontario Government) once a week during the past month, and another meeting is to be held shortly at which it is hoped final agreements can be reached.

A plan under discussion is said to provide for exchange of new preferred stock, plus some common stock, for present preferred, and exchange of new common for present common on a one new for two old basis. Bondholders would receive notes for back interest claims, on which tax would have to be paid, only on maturity—at which time tax rates may be lower than at present.

Some leading bondholders, it is reported, have agreed to drop their claim for interest on interest, and have shown increased willingness to reach a settlement on their claims—under pressure from the Ontario Government.

* * *

Redemption Poses Problem

Investors have been finding increasing difficulty in selecting bonds to provide a good income, and at the same time have protection from possible capital loss arising from redemption at a price below current market quotation. In some quarters, Consolidated Paper bonds are being recommended as a security that is providing a fairly generous yield (over 5% to maturity at present price of 102 to 103) and yet is riding free of its redemption price. Consolidated Paper bonds are payable in U. S. dollars so that in reality the callable price of 100% is 110 Canadian, at present exchange rate.

In the same group, Canadian International 6s. of 1949 are callable at 102% and are selling at 112, Canadian, and Fraser Co.'s 6's of 1950 are callable at 103% and are selling at 110. Both of these issues also are payable in U. S. funds, and are in some respects stronger in position than Consolidated's, but present earning power of Consolidated, and the remarkable record of improvement in general financial position of the company during the past 10 years, has added new investment merit to these bonds, since two years ago when they were selling in the sixties.

* * *

Favor Bank Share Change

The proposal to change the par value of chartered bank shares to $10 from $100 has found considerable support in financial circles lately. It is pointed out that a split on a 10-for-1 basis would bring bank shares into a price range of perhaps $14 to $25, at which level there would be considerably widened investment interest in these shares. It is being contended that a broader investment interest in bank stocks would be an added protection against political attacks and pressure against the banks. After the war, as in 1918, there probably will be considerable switching from war loans into other investments, and a widened public interest in bank shares would be a strengthening factor for Canada's leading financial institutions, it is being contended.

* * *

Pete. Interesting Now?

At one time in the forefront of popularity as a postwar stock, International Petroleum has been relatively neglected of late as attention has shifted to other groups.

International Petroleum has operated a successful business for over 30 years, and is sponsored by Imperial Oil which in turn has the backing of the powerful Standard Oil of New Jersey. Main risk has been that company's operations, in production of crude oil, have been centred in the South American countries of Colombia, Venezuela and Peru, but its South American locale hasn't prevented successful operations in the past, and recently business relations between North America and South American countries have been strengthened. For a time in the war, production dropped rather sharply due to the submarine menace, but more recently output has been in an upward trend, which is continuing this year. During the past three years the company has been paying $1 a share dividends annually, or well below earnings. Previously, before exchange restrictions prevented, the company had been dipping into its huge surplus—$71 millions in 1935—and paying out dividends above earnings.

During the past seven years, the company has been making substantial investments in Venezuela, and the oil reserves there have been developing increasing importance, as oil supplies elsewhere have been reduced by war activities. Some $50 millions, apparently, have been invested in the Venezuela properties. Despite this huge outlay, working capital was at $47 millions at the end of 1943.

The company appears to have possibly passed the low point in its earning power, with speculative attraction given to the stock by the rising trend of earnings, suggesting possibility of increased dividend payments.

* * *

Good Buying in Power

Continued firmness in Montreal Power stock even during periods of general market irregularity, has been accompanied by reports that "good" buying has been noted in this stock. In this connection, some interest has been aroused by publication of recent changes in the Canadian Investment Fund portfolio, showing that this important investment trust has been adding to its already substantial holdings of Montreal Power stock.

In some quarters, there has persisted optimism that a "fair" settlement on expropriation terms will be reached with the Quebec Government after the election, probably providing for exchange of provincial debentures for Montreal Power shares, irrespective of who is the winner in the election.

Incidentally, "Street" betting on the Quebec election outcome has not been very heavy, evidently due to difficulty in forecasting the result, with so many parties and candidates in the field, and voting in some constituencies being split among four or five different candidates. Lately, it is reported, some Duplessis backing has been appearing. Duplessis, head of the Nationale Union party seeking to oust Liberal Premier Godbout, talked strongly against the power companies in the days before he succeeded Taschereau as head of the Quebec Government, but when in office showed little of this hostility in administrating the affairs of the province. During the last legislature session, Duplessis opposed the Montreal Power Company expropriation move. Godbout, if re-elected, also is expected to take a reasonable attitude in settling with Montreal Power stockholders. Possible attitude of the Bloc Populaire, the other leading contender, is uncertain.

Announcing

Important Appointments in Canadian Industry, Finance, Business and Government.

External Affairs — Dr. Henri Laureys, formerly high commissioner to South Africa, appointed ambassador to Peru; L. B. Pearson promoted to the rank of minister plenipotentiary to the United States.

Sask. Government — Dean F. C. Cronkite, University of Saskatchewan, appointed deputy minister of rehabilitation and reconstruction; Prof. T. H. McLeod, University of Manitoba, economic adviser to the executive council; T. M. Spencer, supervisor of student guidance and public relations in the department of education.

University of Toronto — Dr. B. Mendel named head of the subdepartment of cellular physiology in the Banting and Best department of medical research.

Canadian Breweries (Quebec) Ltd.—J. A. Cote promoted from assistant manager to manager.

George Weston Ltd.—E. O. Codner appointed Maritime manager.

Trenton Steel Works Ltd.—William F. Knoll named general manager.

Ontario Government — Dr. R. M. Thomson appointed resident geologist for Northern Ontario.

CNR — R. A. Gordon appointed assistant superintendent Express department, Atlantic District.

Canada Steamship Lines, Ltd.—Sir James Dunn, of Bathurst, N.B., elected a director. Sir James is president and chairman of Algoma Steel Corp. Ltd.

Sun Life Assurance Co. of Canada—William M. Neal, vice-president Canadian Pacific Railway Co. and Canadian Pacific Air Lines Ltd., elected a director.

Can. Northern Power Reports Higher Net

From Our Own Correspondent

MONTREAL. — Due to further curtailment in expenses, net operating earnings of Canada Northern Power Corp. (before income and excess profit tax provision) showed an increase in June, compared with last year, despite lower gross revenues.

Net operating earnings for the first six months of current year also were higher, with the improvement amounting to $47,821, though gross revenues declined nearly $60,000.

Comparative figures follow:

June:	1944	1943	Decrease
Gross	$346,915	$354,264	$7,349
Op. exp.	124,252	136,422	12,170
Net rev.	$222,663	$217,842	*$4,821
Six Months:			
Gross	$2,111,531	$2,171,191	$59,660
Op. exp.	753,492	860,973	107,481
Net rev.	$1,358,039	$1,310,218	*$47,821

*Increase.

CANADA BREAD COMPANY LIMITED

(Incorporated under the Ontario Companies Act)

AND ITS WHOLLY OWNED SUBSIDIARY

CONSOLIDATED BALANCE SHEET

As at 30th June, 1944

ASSETS

Cash on hand and in banks		$ 281,977.69
Dominion of Canada 3% Victory Bonds—$125,000 par value, at cost		125,000.00
Accounts receivable less reserve for doubtful accounts		212,664.70
Inventories of ingredients, finished products and supplies, as determined and certified by the management, valued at the lower of cost or market, less reserves		441,711.44
		$1,061,353.83
Dominion of Canada Bonds at cost ($200,000 par value) appropriated for post-war rehabilitation of fixed assets	$ 200,000.00	
Mortgages receivable	14,500.00	
		214,500.00
Buildings and equipment—at cost	$5,318,783.03	
Less reserve for depreciation	3,437,225.32	
	$1,881,557.71	
Land—at cost	346,967.31	
		2,228,525.02
Prepaid insurance, taxes and other charges	$ 95,540.34	
Post-war refund under the Excess Profits Tax Act	27,200.00	
		122,740.34
Goodwill (less amounts written off)		500,000.00
		$4,127,119.19

LIABILITIES

Accounts payable, wages and other accrued charges		$ 481,471.51
Reserve for taxes (including income and excess profits taxes)		256,244.27
Dividends payable 1st July, 1944		54,375.00
		$ 792,090.78
Deposits by salesmen	$ 53,430.24	
Less cash and government bonds held in trust	53,430.24	
Reserve for contingencies		100,000.00
Capital:		
Authorized and issued—		
12,500 6% cumulative redeemable first preference shares of $100 each, redeemable at $110 per share	$1,250,000.00	
25,000 5% cumulative participating redeemable Class "B" preference shares of $50 each, redeemable at $100 per share	1,250,000.00	
200,000 common shares of no par value	25,000.00	
	$2,525,000.00	
Earned surplus—per statement attached	710,028.41	
		3,235,028.41
		$4,127,119.19

CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the Year Ended 30th June, 1944

Profit on operations before deducting the charges set out below		$ 797,427.95
Add interest earned on investments		7,907.27
		$ 805,335.22
Deduct provision for depreciation of buildings and equipment		278,457.30
		$ 526,877.92
Deduct provision for income and excess profits taxes	$ 290,000.00	
Less refundable portion thereof	20,700.00	
		269,300.00
		$ 257,577.92

CONSOLIDATED SURPLUS ACCOUNT

For the Year Ended 30th June, 1944

Balance at 30th June, 1943		$ 609,950.49
Add net consolidated profit for the year ended 30th June, 1944		257,577.92
		$ 867,528.41
Deduct:		
Dividends—		
First preference shares—6%	$ 75,000.00	
Class "B" preference shares—5%	62,500.00	
Common shares—10c per share	20,000.00	
		157,500.00
Balance at 30th June, 1944		$ 710,028.41

Drought Blocks Change In Power Regulations

From Our Own Correspondent

MONTREAL. — Due to the low water conditions in certain important watersheds of central Canada any easing of present electric power use regulations is not contemplated for the near future, despite the fact that total power generation facilities, including the new Shipshaw project, are substantially expanded this year, Power Controller H. J. Symington stated to The Financial Post.

Ordinarily, in view of the fact that power production facilities are now greatly increased compared with a few years ago, and with recent curtailment in activities of some big power-using industries such as aluminum, some change in present regulations might well have been considered. But no change, it is stated, is now being planned, because of the importance of maintaining adequate power supplies for any needs that might arise.

On the other hand, it probably will not be necessary to tighten the regulations, such as might have been necessary if similar drought conditions in northern watersheds had developed earlier in the war.

Although there have been some light rains in the north recently, these rains have not yet been sufficient to result in any important change in water levels. It is being hoped, however, that heavier rains during the next month or so may ease the situation.

United Cigar-Whelan Stores Corporation has advised the Toronto Stock Exchange that during the month of June, 536 shares of common stock were issued to creditors and stockholders of United Cigar Stores Company of America pursuant to the plan or reorganization. As of June 30 there were outstanding 5,643,568 shares of common stock.

CANADIAN GOVERNMENT BONDS

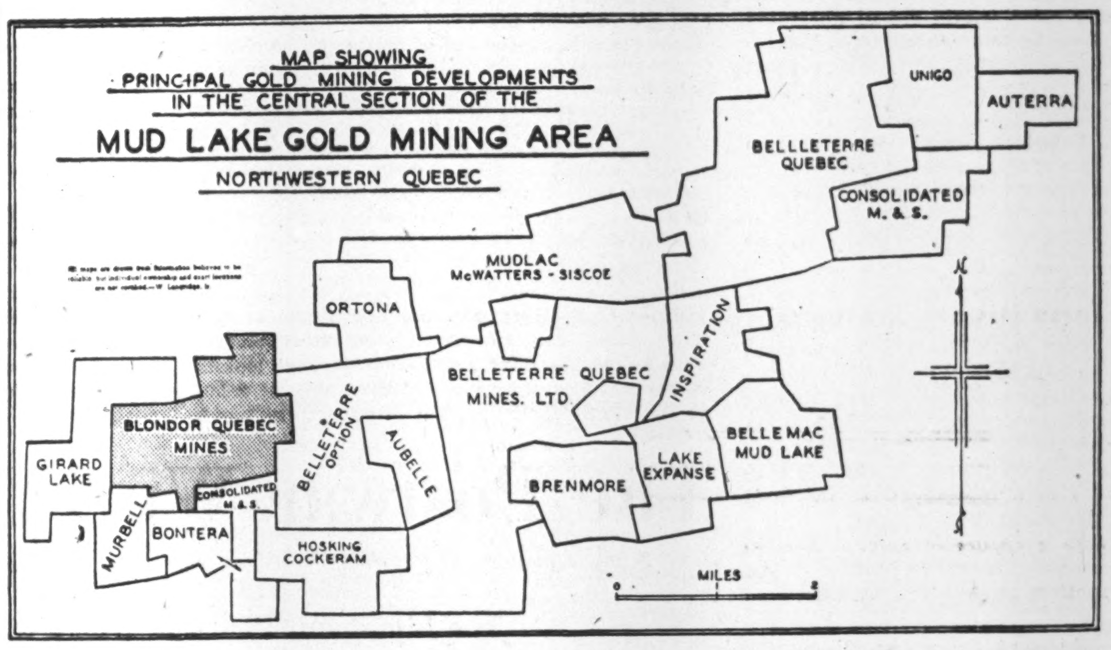
BELL, GOUINLOCK & CO.
LIMITED
MONTREAL TORONTO WINNIPEG

BLONDOR QUEBEC MINES LTD.

INCORPORATED UNDER THE LAWS OF THE PROVINCE OF ONTARIO

(No Personal Liability)

ADJOINING GROUND CONTROLLED BY BELLETERRE QUEBEC MINES DIRECTLY ON THE LINE OF STRIKE OF THE AREA'S GOLD-BEARING ZONE



CAPITAL STRUCTURE

Authorized (Par Value $1.00)	3,000,000 Shares
Issued for Properties and Cash	1,900,005 Shares
Remaining in Treasury	1,099,995 Shares

THE SUM OF OVER $75,000.00 IS AVAILABLE FOR THE COMPANY'S TREASURY, PROVIDING AMPLE FUNDS FOR ITS PRELIMINARY EXPLORATION CAMPAIGN

OFFICERS AND DIRECTORS

President, S. A. PERRY, Toronto. Vice-President, E. H. BENSON, Toronto. Secretary-Treasurer, I. L. LANGRIDGE, Toronto. Director, FREDERICK REID, M.E., Toronto. Director, R. W. BRIGSTOCKE, M.E., Toronto.
Registrar and Transfer Agent, PREMIER TRUST COMPANY, Toronto.
Solicitors, PARKINSON, GARDINER & WILLIS, Toronto.

HEAD OFFICE: 1104-330 BAY STREET, TORONTO. JAMES P. NORRIE, B.Sc., E.M., GENERAL MANAGER.

SUMMARY REPORT ON BLONDOR'S PROPERTY BY GENERAL MANAGER NORRIE

The property of Blondor Quebec Mines Limited consists of 40 claims as follows: D.L.4457, 4490, 4491, 4609, 4620, 4621, 4695 and claims R-49239 to 40, inclusive, being approximately 1600 acres in all, located in Guillet and Blondeau Townships, Quebec.

The claims are heavily wooded, with excellent timber for mining purposes. The property is located three miles West of the Town of Belleterre, which is served with electric power, telephone connections and an excellent motor highway. It lies to the west of and adjoins ground controlled by Belleterre Quebec Mines, being directly on the line of strike, and very close to some of the valuable gold-bearing veins developed on this property.

In general, the ground is covered with a moderate mantel of overburden, which has somewhat hindered surface exploration in the past. However, enough rock is exposed to arrive at the definite conclusion that the geological conditions underlying the property are identical with those existing at the Belleterre mine.

The gold-bearing veins in the area are found in the diorites, the andesites and the tuff or sedimentary bands within a greenstone belt. The Blondor claims are generally underlain with greenstone, and all of the above described rocks are exposed. The very limited amount of exploration work done on the ground has exposed two important veins in the westerly extension of the Belleterre break.

Recent developments at the Belleterre mine are of a spectacular nature. The main vein on the property is reported to be one of the best in Canada. As the Blondor property is directly on strike of this and other important veins of this camp, it is expected that exploration and development work will meet with favorable results, in addition to the ore already exposed.

As the veins on the Belleterre property were found by trenching in moderate overburden, and diamond drilling where trenching could not be done, I recommend that work of this nature be commenced as early as possible on the Blondor property. Several cross-sections will be necessary to properly explore the ground for new veins. Accurate figures on this work cannot be given. However, I recommend that an initial program of 15,000 feet of diamond drilling be done in developing the veins already found and the search for new ones. Treatment of trenching will depend on the depth of overburden encountered.

My faith in the Belleterre area is based on the long continuity of the Belleterre break and the consistency of the high-grade veins found in it. As these conditions are known to exist on the Blondor claims, I believe the work recommended will bring satisfactory results.

DATED AT AMOS, QUEBEC, FEBRUARY 26, 1944.

GROWING IMPORTANCE OF THE MUD LAKE BELLETERRE AREA

The Belleterre area has been made famous by the successful development, since 1937, of the property of Belleterre Quebec Mines under the aegis of the technical staff of McIntyre Porcupine Mines. Formerly 95% owned by McIntyre, Belleterre shares were listed on the Toronto Stock Exchange on July 25, where they immediately sold up from $8.50 to $11.00, indicating the great importance of the property in the eyes of well-informed investors.

Back of this market rise stands the remarkable record of achievement made by Belleterre within a comparatively short period of time, during which McIntyre's technical staff had to contend with almost unprecedented difficulties, due to war conditions. Nevertheless, the extent and degree of gold deposition has been found to be so great that the company has been able to record steady progress year after year.

Pioneering an area devoid of transportation, power and other mining essentials some ten years ago — a region that had been previously explored inconclusively by various mining interests — Belleterre emerged in the intervening years a monument to modern geological and engineering science. Today, it is counted as one of the world's great gold mines, with ore reserves, as of the end of the company's fiscal year at March 31, 1944, of 634,852 tons, having a total value of $7,598,494.00, compared with 238,323 tons in 1939, valued at $2,373,941.00.

BLONDOR'S POSITION IN THE BELLETERRE PICTURE

It is noteworthy that J. P. Norrie, General Manager of Blondor Quebec Mines Limited, states: "Enough rock has been exposed to arrive at the definite conclusion that the geological conditions underlying the property are identical with those existing at the Belleterre mine."

According to Mr. Norrie, the very limited amount of exploration work done on the ground has exposed two important veins in the westerly extension of the Belleterre break. Of these, the south vein is exposed for 200 feet, with an average width of 1.25 feet, and values of $19.25 per ton. The north vein is exposed for 50 feet, two samples from which, over widths of 2.5 and 1.4 feet, respectively, assayed $22.35 and $8.85. These veins dip south at 55 degrees and 75 degrees.

Emphasis is placed by Mr. Norrie on the fact that the grade of ore so far found in the Blondor ground is equal to that on the Belleterre property.

The first phase of the company's program, consisting of prospecting, stripping and trenching, has been completed. The second phase will be a 15,000-foot preliminary diamond-drilling campaign to extend the known veins laterally and at depth, to determine extent of ore. This campaign will start within the next week, there being over $75,000.00 available for development purposes, and it is confidently expected that very interesting results will be attained.

Inasmuch as preliminary exploration on the Blondor property has established the presence of quartz veins carrying high-grade gold values under geological conditions similar to those of Belleterre, and the company's ground lies directly on strike with the area's ore zone, it is our well-considered opinion that its shares represent a speculative purchase of unusual merit.

BARRETT, SEGUIN & COMPANY

MEMBERS THE TORONTO STOCK EXCHANGE

330 BAY STREET, TORONTO
Telephone: WAverley 7631

28 JAMES STREET S., HAMILTON
Telephone: 7-3656

The Editorial Page . .

Farm Floor Price Dynamite

One would never suspect from the farm floor price debate in the House of Commons that the members were actually playing with dynamite. Speakers for both major parties seemed more anxious to get credit for this doubtful policy than to offer constructive criticism.

Even in the face of warnings from farm authorities themselves and the actual disastrous early experiences of the New Deal in the United States, members rushed ahead with legislation the ultimate costs and complications of which may prove disastrous.

Briefly the proposal is that the Dominion Government will enter the farm market and buy any commodity that threatens to fall below a certain minimum price in the transition period following the war. What steps will be taken to ensure that this minimum price is not out of line with world prices and thus block exports, that the transition period is not prolonged indefinitely, or that production is specifically limited to certain amounts beyond which no guarantee will apply, is not clear. And yet without the most careful safeguards, the Government may be offering a blank cheque which, in the case of a boosted major crop like wheat, or hogs, might conceivably run into billions of dollars.

Mr. Graydon's quaint reminiscence regarding his sweet clover seed venture is significant, though it is doubtful whether the P-C House Leader or his hearers really realized it. Mr. Graydon told of selling his sweet clover seed for $25 a bushel in 1919 and of the price falling to $2.50 per bushel the next year. In the case of sweet clover, that terrific tumble from its short-lived boom level, was justified and had the government of the day been induced to support the market say at $20, it would have never come within $15 of unloading its stock from then to the present time. Moreover it would have been lending financial support to a crop, which in many rural sections was soon regarded as little better than a weed.

No thinking Canadian, farmer or townsman alike, wants to see a repetition of the two farm depressions which opened the 'twenties and the 'thirties, but it is extremely doubtful whether any hastily conceived farm floor price policy will be any real safeguard.

For a Uniform History Textbook

Senator Athanase David from Sorel, Quebec, has done the country a distinct service in bringing before the upper house a motion that Canada should adopt a uniform text book. The difficulties, as he and several of his colleagues point out, are not insurmountable, a view which was amply confirmed by replies to a recent poll of informed opinion by The Financial Post.

In a speech that deserves the widest circulation at a time when so much is heard of narrower and more partizan sentiments, Senator David declared that:

> "When a man is a hero in British Columbia, surely he is a hero in Quebec. If he is a hero in Quebec surely he is a hero in Ontario."

And referring to a quotation from a textbook written by a Toronto professor:

> "I have seldom seen in any French Canadian textbook a fairer comment on the expulsion of the Acadians."

Much if not all the present differences of opinion between Quebec and the rest of Canada traces to a lack of understanding of the vital parts played by the two major races in our three centuries of existence. A common impartial history textbook to be taught in all schools throughout the Dominion would create the foundation of a real and permanent understanding.

The Economist's Is an Unhappy Lot

There is one serious and confounding development arising from the general determination of democratic peoples to use every available instrument and scheme for making a better, less hazardous world after the war.

Wartime experience has taught us a great deal how expert economic opinion guiding government policy can keep us on the highway to victory and keep us out of the ditch of inflation. All countries, their people and their government's advisors have learned a great deal about economics and what sound economic thinking can achieve.

Now we are tackling similar problems on an international scale.

There is great promise for the future peace and prosperity of the world in the achievement of the economic experts of the United Nations at the Monetary Conference at Bretton Woods.

But none of that achievement means anything until the agreement drawn up there is implemented by the governments of the participating countries.

A striking example of what is happening and will happen with increasing frequency as experts are made to blueprint an orderly world is revealed by some U. S. comments on the plan and reported in Time magazine. It cites a press statement of Senator Robert Taft of Ohio and a half dozen of the most frequently used objections to the proposal, shows how each is either factually wrong or complete misinterpretation. Time concludes:

> "Since most U. S. citizens and bankers do not understand the fund or its operations any better than Senator Taft, there is a good chance that Congress will turn the proposals down as a deep-laid scheme to rob the U. S."

That the matter requires thorough discussion, weighing of alternatives, assessing of implications, etc., goes without saying.

But there is all the difference in the world between discussion and the time wasting that goes on when the time takers don't know their facts.

When the Bretton Woods matter comes up in Canada there will be some who will talk much without knowing the facts, refuse to get the facts.

Frank talk is the democratic way. It would be folly if we were to swallow with gaping jaw and tight-closed eyes the medicines the economic experts concoct to help us.

But in our shrinking, increasingly complex world which all peoples are trying to organize more closely to the heart's desire, the economists with their unfamiliar words, their strange looking charts and files of figures will inevitably be called on frequently for help. Yet in almost every case they will be confronted with the unwilling to learn or the unable to understand.

The people who are unwilling to examine the complex and the unfamiliar will quite probably succeed in blocking a good many measures which would spare them and others pains later on.

The Financial Post's Platform for Canada

1. *All manpower and resources, efficiently used, wherever needed, to win the war.*
2. *Pay-as-we-go policy, to the utmost possible limit, to avert inflation.*
3. *Elimination of wasteful spending by public bodies or private individuals.*
4. *Planning NOW for postwar, by government and business, to ensure fullest employment and improve social standards through individual initiative and competitive enterprise.*
5. *Orderly and economically sound disposal of surplus war stocks, plant, machinery, etc.*
6. *Planned and orderly demobilization of armed forces and war workers so they may be reinstated in productive civilian life with minimum dislocation.*
7. *Generous treatment for incapacitated fighting men, to ensure their rehabilitation and reward their sacrifices.*

Mr. King to Join CCF?

In the current issue of Collier's, Frank Gervasi makes the somewhat sensational prediction that Mr. King may join the CCF. Says Mr. Gervasi:

> "The experts up north are betting that King will try to join forces with the CCF. He hates them less than he hates the Tories. His foreign policy and that of the Socialists are more nearly congruent than those of the Liberals and the P-C's. If King knows he can't beat the CCF, he'll try to join it. Whether he would succeed is another matter."

One wonders just how a visiting American journalist came to such a conclusion, as the reader is left entirely in the dark as to the details of his Canadian contacts. Three explanations, however, are possible and plausible. One is that Mr. Gervasi, having scanned some of the recent socialistic legislation that Mr. King is so busily putting on the statute books, came to the conclusion that having largely adopted the CCF platform, it would be natural for him to adopt the party too.

Another possible explanation lies in the background of Mr. Gervasi himself. On the masthead of Collier's he is identified as a staff editor for the Middle East which, to say the least, seems to provide him with a rather unusual experience to deal with the political situation of a country which is just about as far from the Middle East as it could possibly be.

Finally it is possible that Mr. Gervasi is just an unreliable reporter. His article bristles with errors of fact.

"By Reason of the Paper Shortage"

"By reason of the shortage in paper supplies," states the annual report of Abitibi Power & Paper Co., "balance sheets of certain subsidiaries are omitted."

This laudable explanation is marred, however, by the fact that in this abbreviated report there are, including the covers, no less than nine pages of almost completely blank paper. Had the liquidator and manager seen fit to make use of these and also possibly a slightly smaller sized type, he might have been able to incorporate the subsidiaries, and thus have discharged his full obligation to the shareholders.

The Postwar World . . .

In this department The Financial Post notes current comment, opinion and research on the world that will face us after the war has been won.

The Lippmann Plan for World Organization

U. S. WAR AIMS by Walter Lippmann, published in Canada by McClelland & Stewart, Ltd., $2.

One of the most interesting patterns of postwar world organization by one of the most knowledgable and interesting political commentators of our time is this new book by historian, political scientist and columnist Lippmann.

Herewith we present in skeleton form the Lippmann plan for world organization.

An international order cannot be established in the modern world merely by a collective agreement among 50 or more individual national states: the order can be established only by the co-ordinated action of groups of national states. One of these groups I call the Atlantic Community. We belong to it. For the power and authority of this community of states in both Atlantic and Pacific, and of the civilization which prevails within them all the way to Australia and New Zealand, have their main source in the region of the Atlantic.

Russia is the nucleus of another system, and China will form another. Eventually one or more constellations will probably form in the Hindu and in the Moslem worlds, but that is more distant.

The Atlantic Community is a reality. Since the region of the Atlantic is one defensive system, no nation within it CAN organize separately a rational and effective military establishment. War within the Atlantic World is outlawed, and any idea of preparing for such a war should be excluded from all plans and calculations. The Atlantic nations should not have divergent foreign policies, since all are involved if any one of them is at war with a great power.

In the political treatment of the Japanese we should all of us, Russia, Britain, America, seek to follow the leadership of China. This is the best way to avert the great peril of Japan's becoming, in the eyes of the whole Oriental world, an Oriental people persecuted by Westerners. The reform and reconstruction of Japan are beyond our ken.

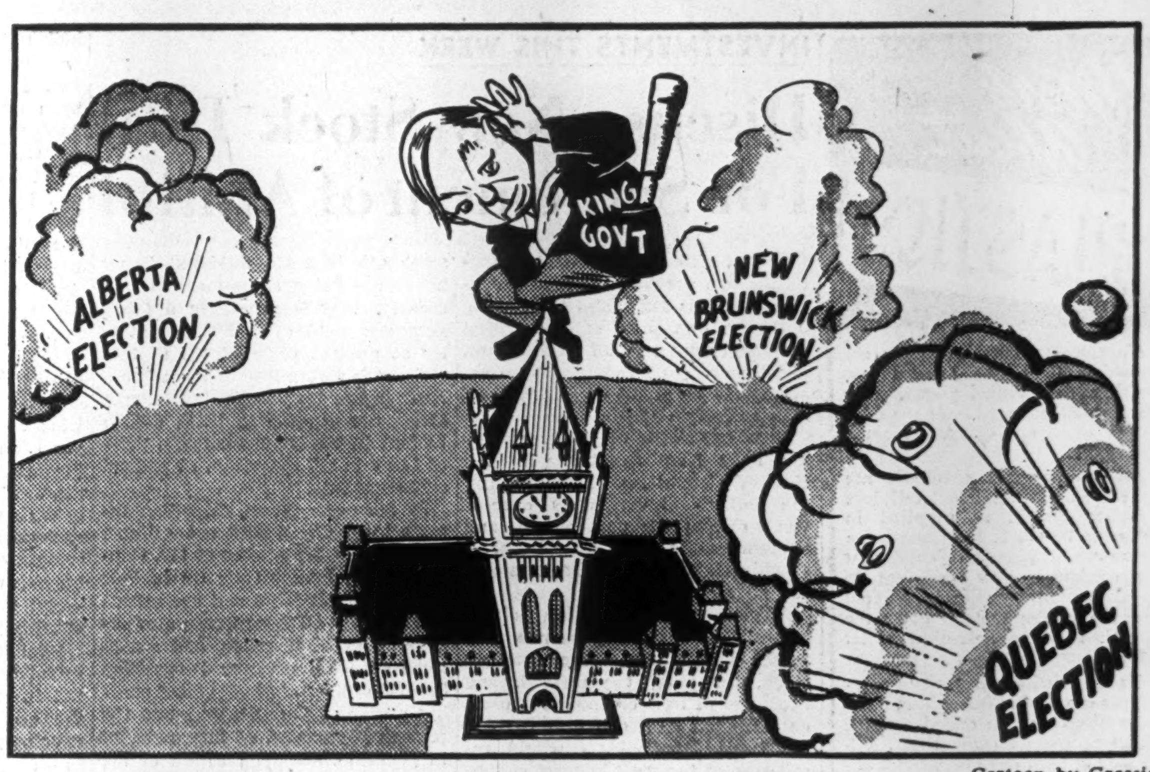
As it is best for the Chinese to let the Chinese be our mentors in treatment of Japanese, so we shall be wise if we let the European peoples who are the victims of Germany and must live next to Germany, settle the moral and political accounts.

Any plan for disarmament, annexation, dismemberment, any plan for internal policing or external international control, or for keeping intact a democratic Germany with equal economic opportunity, would be frustrated if Germany were able to detach, let us say, France from the Atlantic Community or Poland from the Russian Orbit.

By the wise use of our victory we can now put an end to the series of wars which have devastated the world for some thirty years.

Whether we meanly lose or nobly seize this golden opportunity will depend on whether we can pierce through the smoke and dust of the struggle and see that an unfinished but nevertheless great structure of peace and order has already been raised from the ruins. In order to win the war the nations have had to draw together, finding their places within the scheme of things. This is the new world order. If we preserve it and enhance it, we shall inaugurate a long peace. If we ignore it and wreck it, we must prepare for another series of great wars.

More than upon anything else the outcome depends upon the relations between the Soviet Union and the United States. Each is now the centre of gravity within vast areas of the earth. They can prevent a third World War. The key is in Russian hands. We must ask them to commit the world of the future to the cause of democratic freedom. The proof that they have accepted they alone can give—in the measures they take when the war is over to validate their own constitutional promises, and to make free, equal, and reciprocal the exchange of news and opinion between their own people and their present allies.



ANXIOUSLY AWAITING THE VERDICT

Cartoon by Grassick.

Post-Scripts . . . .

Life With Father

When Eric A. Leslie, vice-president and comptroller of the Canadian Pacific Railway Co., first applied for a job, in the comptroller's department, on Canada's $1½ billions transportation system, he was turned down flat.

Mr. LESLIE

Refusing to be discouraged, Leslie next tried the operating department. There he started as a chainman on a construction gang.

This was back in 1913, when young Leslie was still a student at McGill, and wanted a job during his vacation from college. The man to whom he first applied for a job was his father, John Leslie, who was vice-president and comptroller of the CPR (the job which he himself now holds) from 1926 to 1928 and was vice-president of finance and treasurer from 1928 until his retirement in 1932.

Eric Leslie has worked for the CPR ever since, except for two interruptions, for finishing his college training, and two years service in the last war.

Leslie now admits, wryly, that in his experience there were certain disadvantages in starting work with a company in which father is a high official. Aside from the fact that father didn't want son in his own department, the son claims father used his influence to see that son was paid less than others in equivalent positions, and less than his predecessors in the same job.

But because young Leslie worked in several departments, he gained a wide training in railway company operations, and got the point of view of people all the way up and down the ladder of position.

Leslie went to McGill on a Canadian Pacific scholarship; graduated in 1916, with the degree of Bachelor of Science from the Faculty of Applied Science. That year he was winner of the British Association Medal in Transportation. Previously, at Montreal High School he had won the Governor-General's Silver Medal. Recently he was elected president, the McGill Graduates Society.

His wife, formerly Florence Kilgour, also is a graduate of Montreal High School and McGill University. Mrs. Leslie is prominent in the Girl Guide movement, and is on the School Board of suburban Montreal West.

The Leslies have four children—Jack, 18; Ruth, 16; Bobby, 14, and Gordon, 12. Jack, the oldest, like his father before him, is spending his summer vacation from McGill this year working on the railroad — relieving a locomotive fireman's clerk on the CPR Western Lines.

In June this year Eric Leslie was elected chairman of the Accounting Division of the Association of American Railroads at New York, the second Canadian to be so honored.

Oil Hunter

A man who has been hunting and finding oil practically all his life heads the producing department of Imperial Oil Ltd. He is O. B. Hopkins, tall and broad shouldered, chief geologist of Imperial and just appointed vice-president in charge of producing operations.

—Ashley & Crippen.

DR. HOPKINS

Since 1919 he has been with Imperial Oil and before that was with the United States Geological Survey. He has looked into oil producing properties in practically every part of Canada, the United States and also in South America.

There are four main branches of the modern oil business. There is the manufacturing or refining end, there is transportation, there is marketing, and back of all this is the producing end of the business. The job of the latter is to find the oil and bring it to the surface. This is Hopkins' specialty and from headquarters in Toronto, supplemented of course by regular visits to the various fields, he directs production in the west and far north of Canada as well as in Colombia and Peru.

As chief geologist, one of the early chores of Dr. Hopkins was answering letters from people who believed they had just discovered oil and were rosily regaling themselves with dreams of sudden wealth. Sometimes this oil has been "discovered" oozing up in their backyard, or in the woodlot, or even seeping through a stable floor. Imperial Oil was urgently requested to send geologists and drillers immediately or perhaps to buy an option on land. In 99 cases out of a 100 at least these discoveries were known to be a false alarm. Sometimes the seepage was nothing more spectacular than a leakage from the nearby family car. Invariably however, a diplomatic letter was dispatched by Dr. Hopkins, bringing the dreamer back to earth as gently as possible and saving him from reckless expenditure of his savings in fruitless drilling.

Dr. Hopkins is a member of several leading scientific organizations in Canada and the United States, and in addition he has also contributed liberally to geological literature having several books to his credit as well as numerous articles on oil and asbestos.

For a man who has spent so much of his time delving in the soil for extraction of its mineral wealth, it is perhaps natural that Dr. Hopkins' favorite recreation is golf. It has been unkindly suggested that there is a noted similarity between that recreation and his more serious activities. For two years he was president of the Lambton Golf Club, relinquishing that post only last year. In addition to golf Dr. Hopkins likes to get in some fall shooting when business takes him to western Canada.

• • •

Red Cross Man

Harold H. Leather is a big man who is doing a big job—about $13 millions worth a year, to be exact. Ontario-born Mr. Leather, who fought all through the last war with an Imperial unit in East Africa, enlisting as a private and ending up a captain, found himself a bit too old for active service when this war broke out, so he compromised by going into Red Cross work.

MR. LEATHER

Today he is Chairman of the Prisoner-of-War Food Parcels Committee of the Canadian Red Cross, and is proud of the fact that the organization he heads is the greatest single factor in maintaining the health and fitness of young Canadian prisoners of war in Germany. When he was in England last winter, medical officers there told him that returning Canadian prisoners of war were in much better condition now than they formerly were. The reason is, of course, the Red Cross food parcels, now shipped out of the country at the rate of several hundred thousand a month, and at a cost of about $13 millions a year.

Last June 30, in fact, marked the dispatch overseas of 10,432,000 of these scientifically prepared and nutritious food parcels. They now go forward at a rate of about 112,000 a week, have been stepped up by 20,000 a week recently.

If this sketch seems to be more about the Red Cross POW Food Parcels Committee than about Harold Leather, that is the way he wants it. It is difficult to get him to talk about much else than the Red Cross. His wartime job absorbs most of his time and energy. He travels constantly to the six food packing plants in Canada, at Toronto, Hamilton, Montreal, Windsor, London and Winnipeg, keeping an expert eye on the important business of getting the parcels to the boys overseas and giving many an address on the nature of the work carried on by the organization.

Leather spent most of last winter in Great Britain, on Red Cross work, and after being three weeks in a convoy crossing the Atlantic, has high and heartfelt praise for the tough young lads who man Canada's young Navy. And, he adds, Royal Navy men feel the same way about them.

In private life, Harold Leather is head of Leather Cartage Ltd., in Hamilton, a business enterprise he organized when he returned from the First Great War and which has been going strong ever since. The company keeps 104 trucks moving over Ontario highways, and the men he has running it are good men, says Mr. Leather. They have to be, because these days the boss isn't in his office very much. The Red Cross sees to that.

Harold Leather is a golfer, but not in wartime. He played about two games last year on the Hamilton Golf and Country Club course, of which he was president three years ago, but hasn't swung a club this year. He'll go back to golf when the war is won and the Red Cross POW Food Parcels Committee can look back on a job well done. A measure of the service he has rendered is the M.B.E. he was awarded in a recent honors list.

Born at Hamilton, Leather was educated at Trinity College School, Port Hope, where a classmate was the present head of the Canadian Navy, Rear Admiral Percy W. Nelles. They met in England last winter.

Mr. Leather married a Canadian girl with the nursing service in Manchester toward the close of the last war. They have one son, Capt. Hartley Leather, overseas with the First Canadian Division.

"We estimate that 156,000 Germans have been 'written off'—killed, wounded or captured—in the six-week campaign in Normandy. That is our object—to 'write off' German personnel and equipment." — *Gen. Sir Bernard L. Montgomery.*

• • •

"You have just one more battle to win, then bells of peace will ring." — *Jos. Goebbels, Nazi propaganda chief, at a great victory celebration four years ago.*

The Financial Post

Member Audit Bureau of Circulations

A weekly newspaper, presenting in a popular manner reliable information respecting investments, business and national affairs in Canada.

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W. Bruce McKinnon, managing editor; Gordon L. Smith, assistant editor. Associates: Donald G. Maclean, Gordon M. Grant, Clive H. Chattoe, Galen H. Craik, Jean W. Edmonds, Jean L. Hamilton.

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Librarians: Beatrice M. Hamilton, Jean B. Reid.

Art Service: Reg. V. Nicholls.

Austin A. Weaver, advertising manager; M. M. Greig, circulation and promotion manager.

Montreal: Murray R. Chipman, eastern manager.

Published by
The MacLean Publishing Co., Limited
481 University Avenue, Toronto 2.

JOHN BAYNE MACLEAN, Founder and Chairman.
HORACE T. HUNTER, President.
FLOYD S. CHALMERS, Executive Vice-President.
B. G. NEWTON, Vice-President.

Subscription Terms: Single copies, 10 cents. Yearly: in Canada, United States, Mexico and British Empire, $5; all other countries, $6.
Advertising Rates: Single insertion, $4.20 per inch. Contract terms upon request.

Other Publications and Services of The Financial Post

THE BUSINESS YEAR BOOK, Yearly, $2.
THE FINANCIAL POST SURVEY OF CORPORATE SECURITIES, Yearly, $2.
THE FINANCIAL POST SURVEY OF MINES, Yearly, $2
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THE FINANCIAL POST CORPORATION SERVICE, A. C. Bowman, manager, $20 monthly. Special prices for selected part service.

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Chicago 6: 309 West Jackson Blvd.
London, W3, Eng.: 57 Goldsmith Ave., Acton.

Other People's Views . . . .

The Canadian Editorial of the Week

Votes and Money

Montreal Standard

Election contestation cases frequently disclose vote-buying and the spending of money in various other ways declared illegal in election acts, but nevertheless widely practiced.

Now nothing should bar an individual from contributing to the campaign funds of a party whose policies he supports. He is entitled to give his money just as he is entitled to offer his services. But the political atmosphere would be more wholesome were either the individual or the party legally bound to disclose the subscription and the use made of it. This is the law elsewhere—in the United States, for example—and while it is open to evasion and no one would say that American politics are cleaner than politics elsewhere, the elements of control exist and the public knows whom it is dealing with.

The Canadian Gallup Poll found the public supporting the view that all political parties should be made to publish a statement showing election expenditures, and an overwhelming majority would place a limit on the amount any party could spend in a single campaign.

In Ottawa some time ago it was suggested that elections be financed out of the public purse, certain amounts being allotted to each party. This introduces the difficulty of determining when a group becomes a party and what parties should be recognized and assisted financially, but, difficult or not, the problem is one upon which the Canadian electorate holds an opinion and about which they would be glad to see something done.

• • •

As Others See Us . .

Skindicates

Elmira Signet, Ont.

"Skindicates" is the name The Financial Post gives bond syndicates, who despite laws to the contrary, make efforts by direct telephone calls to sell stocks. The Post has waged war on such "Skindicates" for months and the individuals who operate them, usually men with criminal records. The Ontario Securities Act needs strengthening now if it is to give protection during a period of much surplus money ready for the "skindicates" to pick up from a sucker list from those who neither investigate or know how they are being "Skindicated."

• • •

The Reserve Army

Swift Current Sun

We have often been asked what is the function of this organization (the Reserve Army) and what justification is there for the money being spent on it. This week we ran onto an editorial in The Financial Post.

The Post holds that the Reserve Army has an important role. Normally it can do much to provide pre-Active Army training especially for men waiting to be called. Of equal importance, too, is the fact that an enthusiastic Reserve Army after the war can maintain some military tradition and offer a defence in case of emergency. Moreover such an organization will prove vastly more economical than a large standing army which might be the only alternative.

The Post takes the stand that this war is far from being won yet and unfortunately there is no guarantee that victory will mean the end of national dangers. Think that last sentence over.

• • •

Little Business Thrives

Winnipeg Free Press

As The Financial Post observes, little business in Canada has done well in this war. This is proved by the figures of the Bank of Canada which show, after a study of 627 typical companies, that in profits earned and reserves built up, the smallest companies have done three times as well as the largest.

"There is a widespread conception, fanned feverishly by radical politicians," The Post says, "that big business gets all the breaks, that it is rapidly squeezing the life out of the little fellow, and that only state ownership of all industry and business can save us. There is nothing in these Bank of Canada figures to substantiate in any degree such wild claims, and there is a great deal that utterly refutes them.

What The Papers Are Saying . . . .

Retroactive Baby Bonuses

The Printed Word

Retired parents who are still living in the nest from which the young birds have flown will find food for reflection in the proposal of the Government to subsidize families. Some of them will doubtless envy the parents of tomorow who can look forward to a nice Government cheque at the end of every month, and they feel that they should be given a rebate on their family expenditures.

After all, it is only fair that these parents should be reimbursed for the expense they were put to in bringing up their families, and since the Government is in a generous mood, and an election is in the offing, the idea should be a knock-out as a vote-getter. If it was thought too expensive to make such family allowances retroactive in a lump sum, they could be paid in monthly installments, with interest.

Anyway, it is just a suggestion, and if the Liberals or the Progressive Conservatives will not adopt it, the CCF should jump at it. It would be right down the alley of the Social Crediters, for it would provide a legitimate means of putting well-earned money—purchasing power—into circulation.

• • •

Unfortunate Quebec

Farmer's Advocate

While the British North America Act endowed the provinces with certain rights, it was specifically and repeatedly mentioned that the Federal Government must be supreme in the defense of the realm. Any other plan is unthinkable because no other plan would work; and why the Province of Quebec, Canada's most outstanding champion of provincial rights, should attempt to evade her federal obligations is one of the unanswered riddles of this age.

For national unity there is no other basis than complete understanding. It is repeatedly said that the rest of Canada does not understand Quebec, and that is only too true. Political expediency has done much to smear the picture and obscure the truth. In the interests of national unity and for the sake of the good name of Quebec some organization that rises above provincial bias and racial prejudice could very well undertake a campaign of education that would interpret the rest of Canada to Quebec and at the same time reveal the real Quebec and all its problems to the English-speaking world.

• • •

Stop Me If . . . . .

A woman in the midst of divorce proceedings was explaining to a friend about the boring conferences she had to endure with lawyers. "Oh," said her friend, "don't talk to me about them! I've had so much trouble over my property that sometimes I wish my husband hadn't died."

MACLEAN POSTWAR RESEARCH

Retailers to Spend $35 Millions

Big Postwar Program for Land, Construction and Equipment

Two out of every five retail stores plan to spend money on improving or enlarging premises, adding to or replacing store equipment.

Expenditure of $20,440,000 on land and for construction for extension, repair, etc., of business premises in the first year after the war.

Expenditure of $14,754,000 on new and additional equipment for business premises during the same period.

This total expenditure of $35,194,000 represents the immediate postwar expansion plans of the retail trade in Canada, as indicated in findings of a survey conducted by the Postwar Research Department of The MacLean Publishing Co. Ltd. Questionnaires were sent out and replied to by a representative cross section of Canadian retail stores classified as hardware, drug, grocery, country general, men's wear and women's wear, and variety stores.

The stores in the various retail classifications included in this survey did about 35% of the total retail business in Canada.

Not included in this survey were department stores which have a large share of retail volume, auto supply, etc.

Total expenditure of $20,440,000 on land and for various construction purposes the retail stores' plan for the first postwar year is divided up as follows:

Stores:	Amount
Hardware	$1,259,000
Drug	1,152,000
Grocery stores:	
Independents	4,768,000
Independent combination	2,500,000
Chain grocery & combination	3,409,000
Country general	2,773,000
Men's wear	1,571,000
Women's wear	33,000
Variety	2,975,000
Total	$20,440,000

Based on the survey findings, 2.1 out of every 5 retail stores in the types of business covered plan to extend or repair their buildings in the first year after the war.

Of the hardware store operators replying to the questionnaire, 45% planned extensions, repairs or new buildings. Percentages for other retail stores are: drug stores 46%, independent grocery stores 42%, independent combination stores 46%, chain grocery and combination stores 40%, country general stores 53%, men's wear stores 38%, women's wear stores 4% and variety stores 99%.

Divided into $20,440,000 for land and construction for extending or improving premises, and $14,754,000 for new and additional equipment, Canada's retail trade plans to spend $35,194,000 in expanding its business in the first year after the war. A program of this scale is indicated in findings of a survey conducted by the Postwar Research Department of The MacLean Publishing Co. Ltd., with questionnaires returned by seven classifications of retail stores.

New Equipment Program

Additional equipment will be bought in the first year after the war by two out of every five retail stores covered, the survey findings show. Indicated expenditures follow:

Stores:	Amount
Hardware	$642,000
Drug	1,346,000
Grocery stores:	
Independents	2,772,000
Independent combination	2,481,000
Chain grocery & combination	3,328,000
Country general	1,707,000
Men's wear	1,177,000
Women's wear	261,000
Variety	1,040,000
Total	$14,754,000

Purchases of new and additional equipment are planned by 66% of the hardware stores, 84% of the drug stores, 67% of the independent grocery stores, 62% of the independent combination stores, 40% of the chain grocery and combination stores, 65% of the country general stores, 74% of the men's wear stores, 17% of the women's wear stores and 100% of the variety stores.

Ontario Biggest Spender

By geographic areas, here are the spending plans of the listed retail groups, based on the postwar survey:

Province:	% 1941 Retail Trade	Construction & Repairs	Equipment	Total
Prince Edward Island	.5	$32,000	$21,900	$53,900
Nova Scotia	4.8	529,200	704,700	1,233,900
New Brunswick	3.0	1,663,600	1,001,200	2,664,800
Quebec	23.8	3,735,000	3,008,100	6,743,100
Ontario	41.0	8,629,500	6,880,800	15,510,300
Manitoba	6.1	472,000	476,400	948,400
Saskatchewan	5.4	2,183,000	803,100	2,986,100
Alberta	6.4	1,271,400	668,400	1,939,800
British Columbia	9.0	1,924,300	1,189,400	3,113,700
Total	...	20,440,000	14,754,000	35,194,000

In order of preference, here are the chief items of equipment retailers who replied to the questionnaire plan to buy: lighting equipment, display stands, display cases, store fronts, heating equipment, cash registers, window display fixtures, plumbing equipment, ventilating equipment, air-conditioning equipment, safes and vaults, display tables, store furniture, metal signs.

Present heavy taxes on profits and income were criticized sharply by retailers answering the questionnaire. Small independent retailers especially, said they found it extremely difficult to build up reserve funds for postwar development, even though they have enjoyed good sales for several years.

A considerable number of retailers would like to have many of the government regulations continued after the war, the survey revealed. Credit restrictions, price ceilings, licensing, early closing and delivery rules are some of the regulations they would like to see stay in force.

Business This Week

	June	May	Apr.	Mar.	Year Ago
Financial Post Production Index	248.5	255.3	260.9	263.5	256.0
National Income, D.B.S. (c)	....	....	•2,845	....	•2,581
Dom. war expend. (million $)	298.1	52.9	303.4	....	261.7
Dom. total revenue (do.)	233.8	281.5	165.6	....	201.6
Dom. total expend. (do.)	383.5	139.5	389.5	....	327.4
Dept. store sales index no.	....	160.0	174.0	174.0	138.7
Retail sales index no.	....	169.1	175.2	177.4	154.4
Wholesale sales index no.	....	193.9	171.2	189.0	163.6
Country store (% change pr. yr.)	....	+8.7	+11.0	+11.5	+14.5
Divd. payment index♦	129.3	128.4	128.0	127.9	123.5
Bank deposits (1935-39=100)	208.1	193.4	187.5	181.0	193.4
Cash and cheque pay. index	....	267.5	183.5	193.1	213.3
Bank debits (1935-40=100)	....	224.5	175.4	188.8	183.0
Money supply (c)	....	5,915	5,399	5,260	4,878
NEWSPAPER % OF CAPACITY—					
Production ratio	....	68.3	66.4	65.6	68.6
Shipment ratio	....	71.8	72.1	60.3	69.6
RAILWAY FREIGHT LOADINGS—					
Tons (D.B.S. index)	....	221.3	209.3	216.1	191.7
Car (D.B.S. index)	....	159.6	146.1	156.7	142.5
COST OF LIVING—					
D.B.S. index	119.0	119.2	119.1	119.0	118.5
EMPLOYMENT INDEX No. D.B.S.—					
All industries	....	....	180.5	181.7	180.6
Manufacturing	....	....	225.5	226.5	224.3
Payrolls (June 1/44=100) (b)	....	145.2	147.3	149.1	138.5
Payrolls (1937=100) (a)	....	210	204	228	225

	1944	1943	1944 Jan. 1 to date	1943 Jan. 1 to date	Change %
RAILWAYS—					
▪Carloadings (week July 22)	72,552	67,340	2,005,708	1,850,402	+8.5
C.P.R. gross (week July 21) $	6,077,000	6,224,000	157,673,000	139,930,000	+12.7
▪C.N.R. gross rev. .. (June) $	37,389,000	39,260,000	213,579,000	210,484,000	+1.4
C.N.R. net rev. .... (June) $	8,435,000	9,368,000	40,983,00.	44,935,000	—9.1
▪C.P.R. gross rev. .. (June) $	26,656,986	24,698,217	154,575,055	136,231,531	+13.4
▪C.P.R. net rev. .... (June)	4,538,457	4,421,437	22,680,415	21,203,162	+6.9
IRON AND STEEL—(June)—					
▪Pir iron production (tons)	161,899	147,889	949,523	867,789	+9.4
▪Steel production .... (tons)	240,750	239,501	1,512,583	1,499,153	+0.9
CONSTRUCTION—					
Contracts awarded (June) $	37,315,400	20,478,700	152,737,700	102,126,800	+40.1
Building permits .. (May) $	16,869,573	8,663,882	47,861,088	27,199,620	+75.9
Cement prod., bbls. (Apr.)	393,923	459,575	1,044,824	1,468,809	—28.9
AGRICULTURE—					
Flour prod. bbls. .. (May)	1,962,264	2,099,996	10,307,006	10,304,154	+.03
▪Cattle sales▴ ...... (June)	89,011	87,876	612,297	402,130	+30.1
▪Hog sales▴ .... (June)	610,127	542,301	5,165,721	2,697,624	+69.0
SEA FISHERIES—‡					
Catch, cwts. .... (May)	1,183,499	1,182,427	2,962,769	2,916,102	+1.6
Landed value ...... (Apr.)	1,768,272	1,665,654	5,295,495	4,400,378	+20.3
NEWSPRINT—					
Production, tons ... (June)	246,864	257,845	1,480,439	1,443,670	+2.5
Exports, tons ...... (June)	251,700	252,833	1,376,721	1,360,992	+1.2
MINING AND OILS—					
Coal prod., tons .. (May)	1,289,723	1,317,704	7,152,501	7,351,355	—5.5
Gold rec. (fine oz.) (June)	255,402	298,416	1,514,517	1,917,911	—21.1
▪Petroleum, prod.° brl. (May)	858,402	872,812	3,806,605	4,103,850	—7.3
ELECTRICAL POWER OUTPUT—(May)—					
▪Total monthly 1,000 kw.h.'s	3,325,525	3,362,679	20,529,165	19,674,222	+4.3
FOREIGN TRADE—♦					
▪Imports .... (June)	152,478,000	148,762,000	864,529,000	839,684,000	+3.1
Exports .... (June)	343,158,000	249,232,000	1,746,268,000	1,277,763,000	+36.6
OTHER INDUSTRIAL FACTORS—					
Shoe prod., pr. ... (Apr.)	2,908,348	2,918,389	11,917,173	11,512,748	+3.4
Cotton consump., lb. (May)	14,656,680	14,223,466	74,198,737	78,810,778	—5.8
Cigarette cons. No.† (June)	934,707	775,261	1,393,935	1,251,863	+11.3
FINANCE—					
Bank debits† ...... (June) $	5,219,352	4,349,609	29,927,014	25,467,386	+17.5
Bond sales† .... (May) $	73,784	1,438,201	1,676,497	3,273,529	+48.7
Life insurance sales (May) $	53,775,000	49,726,000	272,574,000	228,400,000	+19.3

‡Unrevised figure covering N.S., P.E.I., N.B., Que., B.C. †000 omitted.
▴Total at yards and plants. ▪New items for week.
♦Supplied by Nesbitt, Thomson & Co. (c) 000,000's omitted. ♦Gold excluded
(a) Compiled by Canadian Bank of Commerce. (b) All industries.
•Cumulative 4 months. °Excluding Northwest Territories.

POSTER ADVERTISING ASSOCIATION OF CANADA
80 RICHMOND ST W., TORONTO

PULP AND PAPER THIS WEEK

Pulp Mills in Alaska?

A possible postwar competitive threat to the Canadian pulp and paper industry is seen in the announcement that the U. S. Forest Service this summer is carrying out a survey of the possibilities for establishment, after the war, of a permanent pulp and paper industry in the Tongass National Forest in southeastern Alaska. The forest supports hemlock and spruce timber said to be sufficient to produce annually around 800,000 tons of sulphate or sulphite pulp.

The timber would be sold to U. S. pulp and paper makers. Sealed bids may be asked after Dec. 1, this year, if the survey results in the findings anticipated. A condition of sale would be that buyers of the timber must set up mills in Alaska. Plenty of hydro-electric power is available for development, it is said, and climatic conditions are such that the cutting season could last nine months.

* * *

Ad Linage Holds Up

Reflecting the 16.3% decline in U. S. newsprint consumption in June compared with year before, advertising linage for 52 U. S. cities that month was down 1.2% from the year before. This loss was the least recorded since the first decline of 7% in April. The fact that the decline in advertising was relatively moderate, compared with the considerably smaller amount of newsprint used, was due to continuing efforts of U. S. publishers to conserve space.

In contrast with the general lower trend, financial advertising showed a gain of 13.1% over last year. This increase is attributed by the trade journal, Editor & Publisher, to "the stress placed recently by advertising counselors on the value of such advertising to financial businesses."

Other gains were shown by—automotive, up 5.8%; retail, up 2.8%; display only, up 2.4%.

* * *

Drought Continues

Although there have been some light rains in the northern watersheds of central Canada recently, the precipitation has been much too light to raise river levels to a point where they can carry down wood, piled on the river banks, to the pulp and paper mills.

Canadian pulp and paper officials state that it will be another month yet before it will be known whether the Canadian newsprint mills can continue to deliver 200,000 tons monthly to U. S. consumers during the fourth quarter.

The Canadian industry undertook to ship 200,000 tons monthly for the third quarter—the same as promised for the previous two quarters—and has been fulfilling its undertaking, despite daily problems and difficulties. It is expected that this rate of shipments will continue up to September. After that, the situation must depend largely on the pulpwood supply, which in turn is closely dependent on summer rainfall.

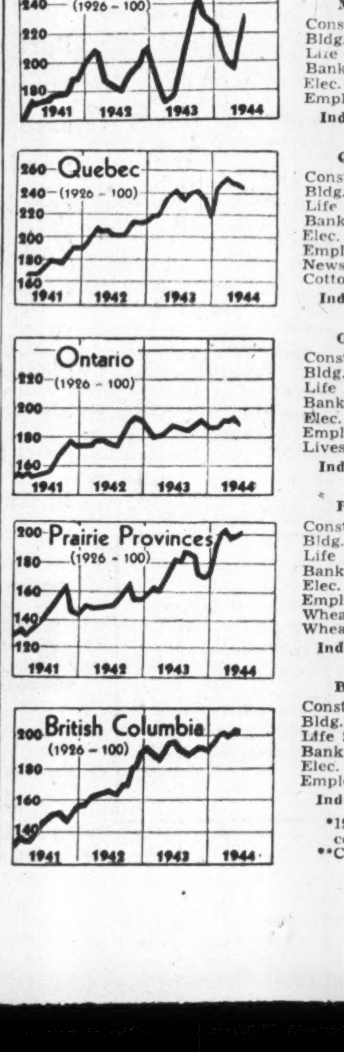
U. S. officials continue to warn that further curtailment in newsprint deliveries to U. S. publishers may develop.

Says Harold Boeschenstein of the WPB at Washington, in his latest bulletin—

"It is difficult for the WPB to forecast the print paper situation for the fourth quarter, but we may have to further curtail the usage of printing papers before the end of the year. The amount of available paper after Oct. 1 depends upon increased cutting of pulpwood and the progress of waste paper collections. Low water levels in parts of Canada, preventing the movement of pulpwood to the mills, and increased military requirements affect certain types of paper."

Three Areas of Five Show Declines in June

Although still at very high levels, business activity in three of Canada's five economic areas declined during June, only the Prairies and the Maritimes recording advances. Each of the areas remains, however, close to the all-time highs recently established.



Trend of Business in Economic Areas

	June 1944	% Change June 1943	May 1944
Maritimes:			
Constr. contr. ...... $	2,255,000	+8.2	2,120,000
Bldg. permits ...... $	549,000	+40.8	516,000
Life ins. sales .. $000	3,814	—0.7	3,867
Bank debits . $000,000	105.0	+6.9	144.3
Elec. pwr. .. kw.h.000	93,000	—2.1	93,000
Employment*	176.6	+3.5	177.3
Index	234.1	+53.8	218.8
Quebec:			
Constr. contr. ...... $	11,730,000	+135.1	6,725,000
Bldg. permits ...... $	4,276,000	+66.3	5,356,000
Life ins. sales $000	13,661	—2.3	14,044
Bank debits $000,000	1,598	+24.2	1,906
Elec. pwr. .. kw.h.000	1,936,000	—3.2	2,116,000
Employment*	190.4	—0.8	194.2
Newsprint prod. . tons	246,864	—4.3	262,467
Cotton consump. . lb.	12,629,203	—16.8	14,656,680
Index	243.1	+3.0	249.1
Ontario:			
Constr. contr. ...... $	13,717,000	+67.0	9,454,000
Bldg. permits ...... $	5,007,000	+60.7	6,735,000
Life ins. sales .. $000	23,057	+3.8	22,347
Bank debits . $000,000	2,247	+16.5	3,056
Elec. pwr. .. kw.h.000	870,000	+4.6	917,000
Employment*	180.8	—0.6	182.9
Livestock slaughter.*	272.2	+22.5	293.8
Index	192.4	+2.7	196.2
Prairie Provinces:			
Constr. contr. ...... $	5,481,000	+37.2	7,903,000
Bldg. permits ...... $	2,505,000	.....	2,830,000
Life ins. sales .. $000	9,055	+20.7	8,571
Bank debits . $000,000	958	+23.0	1,141
Elec. pwr. . kw.h.000	223,000	+1.4	243,000
Employment*	141.0	+3.8	142.6
Wheat receipts .. bu.	38,560,000	+20.4	14,306,000
Wheat prices**	125	+23.2	125
Index	203.8	+11.2	199.7
British Columbia:			
Constr. contr. ...... $	4,133,000	+246.1	5,492,000
Bldg. permits ..... $	1,937,000	.....	2,403,000
Life ins. sales .. $000	3,981	—4.9	4,028
Bank debits . $000,000	312.8	+21.9	405.6
Elec. pwr. .. kw.h.000	203,000	—2.4	216,000
Employment*	183.3	—1.6	184.7
Index	204.5	+4.4	204.6

*1926=100. Employment statistics apply to preceding month.
**Cents and eighths of a cent per bushel.

Parliament at Work

The Busy Man's Guide to the Week in the Federal Capital

Broad policy of noninterference with provincial affairs was laid down emphatically by Prime Minister King (Hansard, p. 5,367) when, by inference, the House discussed briefly the recent dismissal of Senator T. D. Bouchard from a high Quebec Government post following his maiden speech in the Senate. (Open discussion of Senate happenings is forbidden in the House.) Opposition Leader Graydon saw "an interference with the freedom of speech of members of parliament," asked that Mr. King confer with the Government leader "in the other house" upon the matter. Mr. King said an issue of much larger magnitude would be raised if the federal government or any member of it began "to criticize the action of a provincial government."

Pension scheme for all policemen was urged by J. G. Diefenbaker (Prog. Con., Lake Centre, Sask.), when a $500 grant to the Chief Constables' Association of Canada was discussed. Of 6,444 policemen in the country, there were more than 1,900 for whom no pension plan was available, said Mr. Diefenbaker (p. 5,377). He recommended that Dominion grants in aid be given the provinces so that a pension system could be established "on behalf of all municipal, town and village policemen for whom there is no pension provision now in effect." Justice Minister St. Laurent admitted the need of such a step, said the "initiative would have to come from the provinces." He promised to bring the matter to the attention of the attorneys-general of the provinces.

Necessity for producer representation on the Government's proposed fisheries board was stressed by Hon. R. B. Hanson (Prog. Con., York-Sunbury, N.B.), when Fisheries Minister Bertrand's bill was introduced and given first reading (p. 5,434). The measure, explained Mr. Bertrand, was similar to the one proposed by Agriculture Minister Gardiner to put a "floor" under farm produce prices. A fund of $25 millions would be provided, and the board empowered to set a minimum price on fish products, making such payments as might be necessary to bring prices to producers up to that level. Mr. Bertrand assured Mr. Hanson that he would recommend that one producer representative be appointed to the board.

More money for work of the National Research Council was urged by S. H. Knowles (CCF, Winnipeg North Centre), when an item of $920,529 for "salaries and other expenses" of the Council was discussed (p. 5,447). The war had stressed the necessity for research activities, said Mr. Knowles, and he hoped that in the future "we will realize that we are not squandering money if we make available all the necessary equipment and funds to permit this work to be carried on by the research council."

Family allowances were tossed into the political arena when Prime Minister King (p. 5,448) outlined the proposed measure fully and stated that the "new order places its emphasis on life rather than upon wealth . . . on human well-being rather than on material possessions." Opposition speakers then had their say. Progressive Conservative Leader Graydon summarized the stand of his party this way: "We support the purpose and principle . . . but we do not believe that this bill will adequately and effectively" elevate standards of living. He listed nine objections to the measure, branding it as unconstitutional. CCF Leader Coldwell commended the move, said it should have been introduced years ago, added the wish that it form part of a "wide social security program much more comprehensive than any of the measures that have been placed before this house up to the present time."

Labor requirements were brought to the fore by three House members (p. 5,658). Needs of the Ontario tobacco growers in this respect were mentioned by M. C. Senn (Prog. Con., Haldimand, Ont.). Parliamentary Assistant Martin said the matter was being "discussed by department officials." N. J. M. Lockhart (Prog. Con., Lincoln, Ont.), wanted to know if any steps had been taken to get female labor from the West to help process the eastern crop of fruit and vegetables. Consideration was being "actively given," replied Mr. Martin. E. E. Perley (Prog. Con., Qu'Appelle, Sask.), said men transferring from industries such as mining to relatives' farms in the West were experiencing some difficulty with NSS. Mr. Martin said movement of such workers would be facilitated.

Plea that provisions of the Veterans' Insurance Act be widened to include men who fought in the First Great War was made by several members (p. 5,570). Pensions Minister Mackenzie said veterans' organizations had not been in favor of such a move, that the high rates older veterans would have to pay would be a factor against such action. Under the old insurance act, veterans could take out insurance up to $5,000. Men who served in this war as well as the last could now increase their holdings to a total of $10,000. Medical examinations will not be required as a rule, said Mr. Mackenzie, but the minister could "call in a medical examiner at any time with respect to a case which was in a doubtful class."

Echoes of the Quebec and Alberta election campaigns were heard in the House when Justice Minister St. Laurent told of investigations into the reported statements of Jacques Dumoulin, Liberal candidate in the Quebec elections, (p. 5,636), and, later, gave it as his opinion that taking action against Jacques Sauriol, Bloc Populaire candidate, "might be more harmful in its result than to refrain from taking it at this time." CCF Leader Coldwell also gave his interpretation of the Lethbridge incident in which a Social Crediter who had called him a liar was "shown" from the meeting. Agriculture Minister Gardiner supplied the bright moment of this incident by remarking that "when I want anyone thrown out of my meetings I throw them out myself."

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TO EMPLOYERS: Because *knowledge* is the greatest foe of cancer, it is important that everyone know the facts below.

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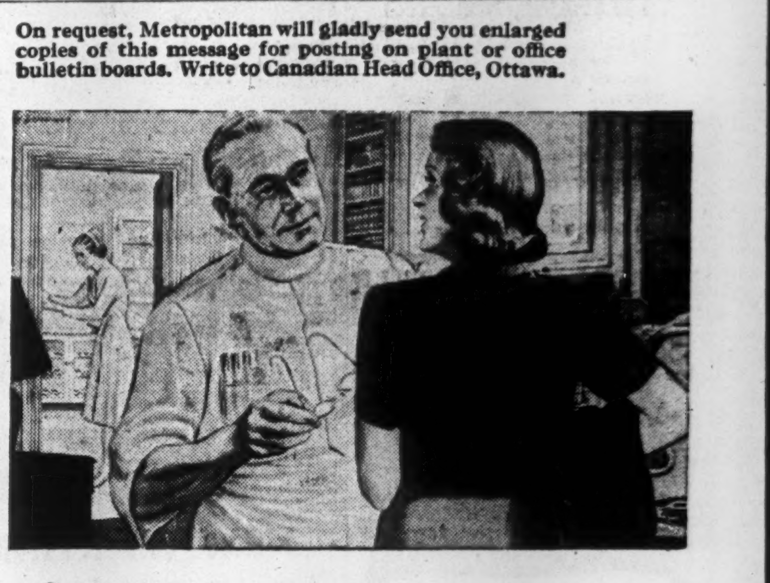
Some mistaken beliefs about Cancer



✖ Misbelief #1 . . . THAT CANCER IS A HOPELESS DISEASE

Far from it! Thousands of people have been cured of cancer. Many more are being cured now than ever before. This is the result of greatly increased knowledge and skill among doctors . . . of better facilities for diagnosis and treatment . . . of greater public realization that *successful treatment depends largely upon early recognition.*

✖ Misbelief #2 . . . THAT ALL LUMPS AND GROWTHS ARE CANCERS

This, of course, is not true. The symptoms that *may* indicate cancer are often due to other causes—only a doctor can decide. A leading cancer clinic reports that, of the women who came for examination because they suspected cancer, only 11½% actually had the disease. The important point is that all of these women, whether or not they had cancer, received immediate professional attention and avoided needless worry.

✖ Misbelief #3 . . . THAT CANCER CAN BE CURED WITH MEDICINE

It cannot! Beware of quacks who promise quick cures using unproved methods. *The only known methods of treating cancer effectively are X-rays, Radium, and Surgery,* alone or in combination. In skilled hands, these proved methods are successfully treating cases which, not many years ago, would have been judged hopeless. Getting to the doctor early is *your* greatest contribution toward cure.

✖ Misbelief #4 . . . THAT CANCER STRIKES WITHOUT WARNING

Cancer *does* give warning! Everyone over the age of 30 should know these common signs of cancer:

- Any unusual lump or thickening, especially in the breast.
- Any irregular or unexplained bleeding.
- Any sore that does not heal, particularly about the mouth, tongue, or lips.
- Loss of appetite, or persistent, unexplained indigestion.
- Noticeable changes in the form, size, or colour of a mole or wart.
- Any persistent change from the normal habits of elimination.

Send for Metropolitan's free booklet, "A Message of Hope About Cancer."

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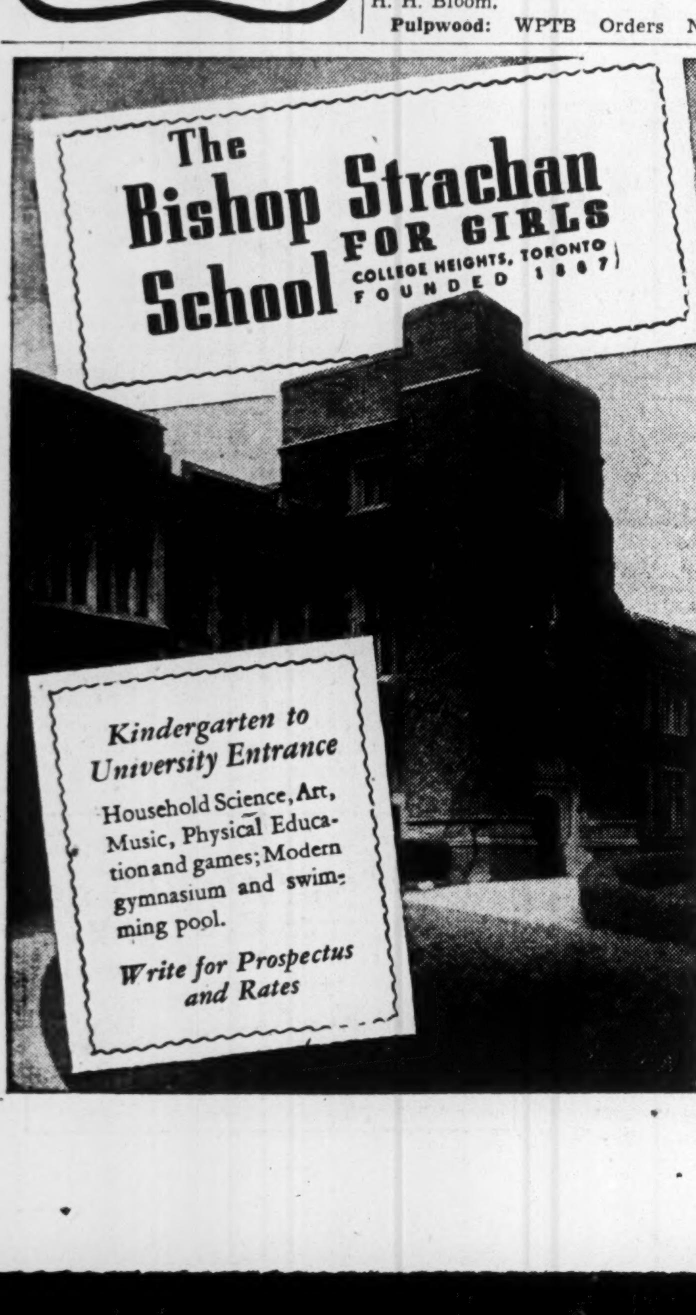

We Have Been Asked

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, wartime regulations and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed.

INCOME TAX

Directors' Fees

How should income tax on income from directors' fees be paid? The table of deductions does not appear to make any provision for such income.

If the directors' fees are paid by taxpayer's employer, they should be added to his regular salary and deductions made accordingly. If the taxpayer is not an employee, no deduction need be made by the company, unless his total fees amount to more than $660. In that case deduction should be made from every payment.

Officer's Civilian Income

A married officer in the Canadian army overseas receives from his former employer $1,200, this being the difference between his former civilian salary and his military pay. How does he stand for income tax?

He will have no tax to pay on his army income and as his civilian income is just $1,200 and he is married, he will have no tax to pay on it either. If, however, he had other income in Canada which brought his civilian income above $1,200 he would be taxable.

INVESTMENTS

Foundation Co.

Will you kindly give me some information regarding Foundation Co. of Canada. I would like to know the financial setup of the company, if they have any obligations ahead of the common stock, and if dividends have been earned and paid regularly. Can you offer an explanation for the relatively low market price of the common stock in view of the current dividend rate?

Foundation Co. of Canada has no bonds or other capital obligations ahead of the 84,600 outstanding shares of no-par-value common stock.

The present dividend rate is $1.40 a share annually, established with payment of 35 cents on July 18, 1942. Initial quarterly dividend on the present common stock of 25 cents a share was paid Aug. 15, 1929, and regularly thereafter to and including Feb. 15, 1932. Then 12½ cents a share was paid May 14, 1932, none thereafter until 25 cents on March 15, 1934. Interim dividends of 50 cents a share were paid Dec. 15, 1937, and June 30, 1938, 25 cents a share paid July 20, 1940, and regularly quarterly thereafter up to and including April 18, 1942. An extra dividend of 25 cents a share was paid Jan. 20 and April 20, 1942.

Foundation Co. reported earnings for 1943 of $1.44 a share compared with $2.06 in 1942, the decline being due mainly to an increase in depreciation reserve which included special depreciation for capital expenditure on war contracts. Working capital at the end of 1943 exceeded $1 million with current assets including $1¼ million cash and Dominion Government bonds. Included among current liabilities were $500,000 bank loans. In 1943 the company sold its entire holdings in the stocks of the Preload Co. of Canada Ltd.

Relatively low market price for Foundation Co.'s stock in relation to current earnings and dividends evidently reflects the fact that wartime construction work is now virtually completed, and private construction is limited by government restrictions. Contracts received by the company this year have included a $1¼ million job in building an addition to the Continental Can plant at St. Laurent, near Montreal, and a contract received by the Ontario subsidiary in connection with $10 millions development work for the Marathon Paper Co. in Ontario.

Canadian Celanese

In your issue of January 29, you had a list of "Who the Plastic Makers Are," but under none of the headings did you mention Canadian Celanese, Ltd. Could you tell me if this company is in any way interested in the manufacturing of plastics, or holds any place in the future development of plastics?

Canadian Celanese has been engaged exclusively in the production of synthetic yarns and has not been a manufacturer of plastic products except these synthetic yarns which strictly speaking come under the heading of plastics. An affiliated company, Celanese Corp. of America, is one of the largest manufacturers of plastics products in the United States.

However, Canadian Celanese is now engaged in a plant expansion program, and new facilities will include equipment for production of plastic materials other than synthetic yarn. The company is spending some $5 millions this year and next year in adding to present plant facilities. It is anticipated that Canadian Celanese will become an important producer of plastic materials after the war.

St. Lawrence Paper

Will you please provide me with information on the present position and prospects of St. Lawrence Paper Mills preferred stock?

St. Lawrence Paper Mills Co. operates a newsprint mill at Three Rivers, Que., with an annual capacity of 180,000 tons. Earning power of the company has substantially improved since the start of the war, with net income in 1943 $506,000 comparing with 1939 net income of $62,000, and working capital increasing to $4½ millions from $1½ millions. Earnings on the preferred stock last year amounted to $3.90 a share. Preferred dividends have been paid at the rate of $3 a share annually since the first quarterly payment at this rate on Jan. 15, 1942, and extra payments of 75 cents a share each were made in December, 1942 and 1943. Dividend arrears amount to $64.75 a share. There is a possibility of increased newsprint sales after the war when present restrictions on production are removed. Profits will be governed by tax and other factors.

Canada Cement

Kindly give me information on Canada Cement Co. as respects present position and future prospects.

Canada Cement Co. provides the cement for approximately four fifths of the total Canadian market, and also does some export business. Recently the demand for cement has been falling off, due to the decline in construction for war purposes and the restrictions on private construction. In 1943 sales of Canada Cement Co. were down 21.5% from the previous year, and the downward trend is continuing this year with prospects of a further decline for the full year 1944. Earnings after taxes, however, may not show much change from the 1943 profit showing. In 1943 earnings were $4.72 a share on the preferred stock, compared with dividend requirements of $6.50, which are on a cumulative basis, and comparing with actual dividend payments of $5 a share. There appears to be little prospect for much improvement in earnings during the balance of the war, but it is probable that there will be a substantial increase in cement sales with the end of the war due to the backlog of delayed construction. Longer term prospects must depend upon general business conditions. The company's financial position is relatively strong, with working capital at the end of 1943 at approximately $7¾ millions. On May 1 this year, the company redeemed an additional $1½ millions of its 4¼% bonds, reducing outstanding bonds to approximately $9 millions.

Beauharnois Common

I would appreciate any information you can give me regarding the position of Beauharnois Power. The stock does not appear to be listed in The Post. Is the stock worthless?

Beauharnois Light, Heat and Power Co., which acquired the entire capital stock of Beauharnois Power Corp. in 1940, was taken over by the Quebec Provincial Government in April of this year. The Government expropriated all the physical assets of the Beauharnois company. Value of the company's common stock depends on terms which may be arranged for payment by the Government for the expropriated properties. No such arrangement appears likely until after the provincial elections scheduled for Aug. 8.

In the event the stockholders do not consider any offer from the provincial Government for their shares to be a fair one, they can appeal to the courts for a ruling as to the valuation of the properties expropriated.

Thus, until the payment to be made by the Government is settled, no accurate estimate can be made as to the value of your holdings of Beauharnois stock.

Beauharnois Light, Heat & Power Co. common stock is currently quoted over the counter at $5.50 to $7.

NEW WARTIME REGULATIONS

Used Construction Equipment: WPTB Order No. A-1279, effective July 15, replaces Order No. A-845, and provides regulations governing the use of construction equipment (listed) which has been used, rebuilt or reconditioned. Admin. of Farm and Construction Machinery and Municipal Service Equipment, H. H. Bloom.

Pulpwood: WPTB Orders No. A-1281 to A-1287, inclusive, provide maximum prices for pulpwood cut from the stump in (respectively) Nova Scotia, New Brunswick, Quebec, the districts of Kenora and Rainy River, the rest of Ontario, Manitoba, and Saskatchewan. Timber Admin. A. H. Williamson.

Electrical Clocks: WPTB Order No. A-1295, effective July 17, removes electric clocks from the schedule to Order A-610, thus removing them from the list of appliances whose manufacture for domestic use is prohibited. Admin. of Capital Equipment and Electrical Products, M. C. Lowe.

Fleece Fabric: WPTB Order No. 418, effective July 17, prohibits the use of fleece fabric (cotton) in any goods except underwear, children's and infants' clothing, and linings for gloves or footwear. Admin. of Cotton, J. H. F. Turner.

Mattresses: WPTB Order No. A-1293, effective July 15, revokes Order A-470, which provided for the pricing and sale of new cotton felt mattresses. The provisions of Order 214 shall apply. Admin. of Cotton, J. H. F. Turner.

Bed Springs, Etc.: WPTB Order No. A-1294, effective July 15, revokes Order No. A-500, which established rules for the pricing and sale of wood-frame bed springs, wood-frame studio couches, and metal frame beds with composite panels and wood side rails. The provisions of Order 214 shall apply. Admin. of Upholstered and Metal Furniture and Bedding, A. C. Guthrie.

Feathers and Down: WPTB Order No. A-1291, effective July 15, revokes Order No. A-773 which restricted the sale and disposal of feathers and down; basic period price becomes ceiling. Admin. of Upholstered and Metal Furniture and Bedding, A. C. Guthrie.

Apples: WPTB Order No. A-1296, effective July 19, amends Order No. A-892 with respect to the maximum prices of apples. Admin. of Fresh Fruit and Vegetables, E. J. Chambers.

Diamonds: WPTB Order No. A-1280, effective July 20, amends Order No. A-811 by providing a maximum wholesaler's or importer's markup of 20% for a diamond larger than .05 carats in size. Admin. of Jewellery, H. H. Levy.

LONDON CALLING—BY ADELPHI

Nazi-Touted Hitler Bomb Incident "Bit of a Fake" To Many Britons

By ADELPHI

Opinions on the Hitler bomb incident are divided in London. There are some well informed people who think that there actually was a bomb planted with the intention of killing Hitler. But there are more who believe that it was a bit of a fake. If it was a genuine attempt then no wonder German generals lose their battles. Never did conspirators handle an affair so clumsily.

There is sharp conflict of opinion about the end of the war with Germany. No one doubts victory but they do not agree about the date. Many of the best informed experts here think that it will be over by the end of September. Others pin their faith to a spring offensive. Herbert Morrison is talking about lessening the blackout this winter. Churchill says nothing but I believe he is among those who think Germany will be beaten before the year is out.

The Russians continue to fire their guns of victory at Moscow and to chase the enemy back toward Germany. These joyful bombardments in the Red Square must have used up an immense amount of explosives, but Stalin no doubt knows what he is doing.

• • •

Emigré Governments Problem

Eden delighted the House by saying that the British Government would continue to recognize the Polish Government in London rather than the Polish committee set up in Russia. At the same time these emigré governments in London present an acute problem. While they have the funds and the form of a government they have been away from their various countries for many years. Human nature being what it is there is one thing certain—that men who have stayed in occupied territories and fought the Germans by underground movements will demand political control after the war is over. None of us knows whether the Greeks will take back King George. None of us knows what will happen to King Peter of Jugoslavia. The only king who seems sure of his job on the continent is Leopold of Belgium, who has with great dignity remained a prisoner of the Germans and refused to co-operate with them to the slightest degree. It may well be, however, that when the guns are finally silent and Europe takes a look at itself, Leopold will be the only king left on that beloved but tragic continent.

• • •

G.B.S. Loved at Last

We have been celebrating George Bernard Shaw's 88th birthday. Thomas Hardy lived to be 80 and because the English love a stayer they buried him in the Abbey. Shaw has so flayed the English in his time that old wounds have not entirely healed yet. But if he lives to be 90 he, too, will probably make the Abbey. He has been, of course, a giant. He really believed the theatre public might accept the fact that it is possible to think and to enjoy one's self at the same time. He went even further. He maintained that the process of thought actually adds to enjoyment. I must say the London theatre public put up magnificent resistance for years. They stayed away from his plays in massed battalions. Now, in the late winter of his life, Shaw has become so popular on the films and stage that he spends most of his time worrying about income tax. In short it is a brilliant example of Shavian paradox. But we who have lived in the same period and the same town as Shaw have reason to be grateful.

• • •

Session Ends

Parliament is sagging toward the end of its session when M.P.'s will disperse for a prolonged vacation. On the whole, Parliament has deserved well of the nation. It has given vigorous support to the Government in its huge war production and its all-out push for victory. At the same time Parliament has fought hard to safeguard those few remnants of human liberty left to the individual.

From a party standpoint the Tories are staying the course better than the Socialists. Last week the Tories gave a luncheon to Churchill. While the Prime Minister's speech was naturally off the record it is said that Tory M.P.'s emerged from Dorchester Hotel beaming with satisfaction. Certainly the Prime Minister remains in tremendous form, though he is not so reckless with his vitality as he used to be. He is like a boxer who knows he has to go full distance and that he must husband his strength for that last round.

Socialists' Dilemma

The Socialists find themselves caught by the impossible dilemma of their leadership. Mr. Attlee is doing splendid work within the Government but he rarely speaks in the country and therefore, as leader of the Socialist party, he gives no utterance to the aspirations of his followers nor does he chart the way that lies ahead. Even Herbert Morrison has given up his week-end speeches for he is too busily engaged with the flying bomb.

Not knowing whether the coalition is to continue or not the Socialists don't know whether they are to fight for socialism and the nationalization of everything, or whether they are to bow to their two masters, the Tories as senior partners in coalition, or trade unions as the dominant financial interest in the left wing movement.

• • •

Evacuation of mothers and young children from London is a huge problem and a tragic one. The flying bomb has become public bore number one. Anyone who tries to tell his bomb story now is severely sat upon. In spite of that I insist upon telling you that I watched one come down the other day at a distance of 300 yards.

Show Didn't Go On

The theatre in London is slowly returning to normal. All costly musical shows departed when the flying bomb emptied the theatres. There is a good deal of feeling, however, that managements were unduly apprehensive. The cinemas did not close and after the first week they have done a good business. Most of the theatres will have reopened by mid-August. Some critics have been very severe about it. They say that managements were too swift in breaking the "show must go on" tradition. Managements reply it was not they but the public which broke faith.

• • •

The English summer has realized that if it is going to make any showing at all it must do so now. As a result we have actually had some blue skies and the magic of moonlight over London also exerts its spell. One of the things we shall miss when the lights go up is the lovely etching of London's crescents and squares marked out by the path of the moon.

PLAN AHEAD
The government of Canada has announced plans to finance much of the war expenditure out of current revenue. War taxes of various sorts are being imposed. To meet them the first step is to save systematically. Open an account with this Corporation and be ready when the government calls.
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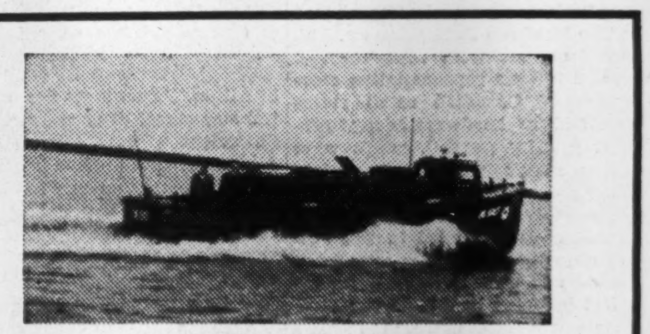

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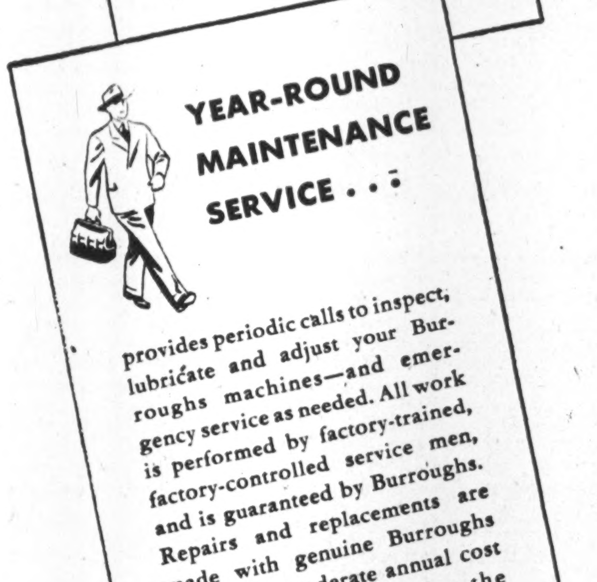

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Vol. XXXVIII | 10c a Copy; $5.00 a Year | PUBLICATION OFFICE: TORONTO, AUGUST 5, 1944 | Member of Audit Bureau of Circulations | No. 32

Layman's Check-List on Family Allowances

By J. W. EDMONDS

Last week Canada became the latest of more than 38 countries to adopt a family allowance plan. Though this has been one of the most controversial issues to arise in Canada for some time, little basic information about the effects of the scheme has yet been presented to Canadian readers in concise form.

Herewith, The Financial Post presents a few of the rockbottom facts. They seem to indicate that:

Family allowances won't affect the size of the population, but probably will improve its quality.

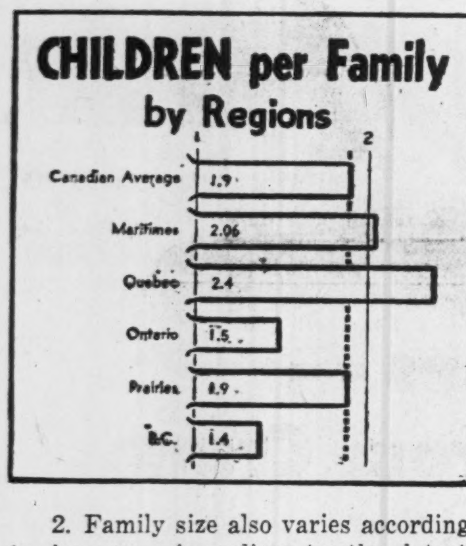
Rural families will probably benefit more than urban.

Ontario and Quebec may receive about equal payments, though more of the taxes which pay for the allowances may be collected in Ontario.

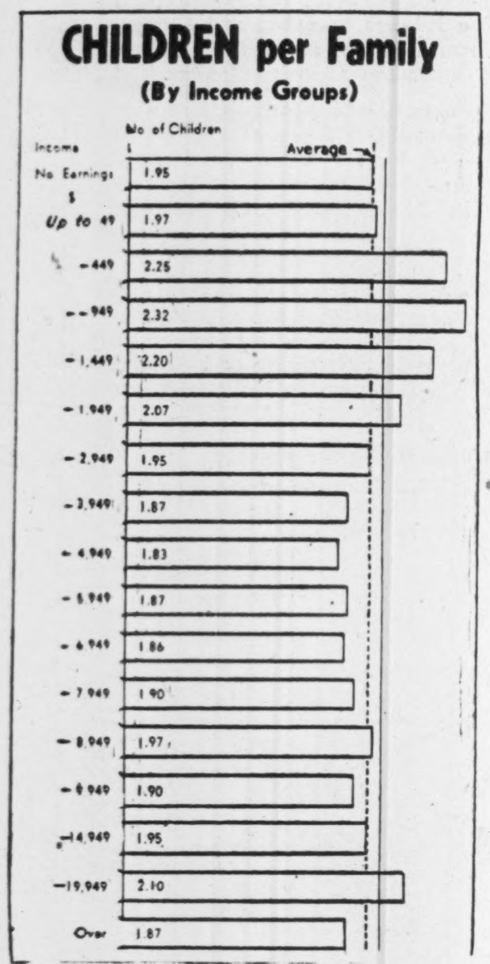
Canada's family allowance plan as it now stands will each month pay to the parents of children under 16: $5 for each child under six years old, $6 for each child aged six to nine, $7 for each child aged 10-13, and $8 for each child from 13-16. But as the family increases over the fourth child, the rate of payment will drop $1 per month for the fifth child, $2 per month for the sixth and seventh child, and $3 per month for the eighth child and over. Income tax deductions on account of children are to be reduced by an "appropriate" but as yet unspecified amount, based on the family allowance payable. Total annual cost of the plan under current conditions is expected to be about $250 millions a year. Of this, $50 millions is considered recoverable through the income tax adjustment.

1. The average number of children in the Canadian family is not quite two. Nearly 800,000 of Canada's 2.5 million families have no children at all. Over half have one child or none.

This varies according to regions:



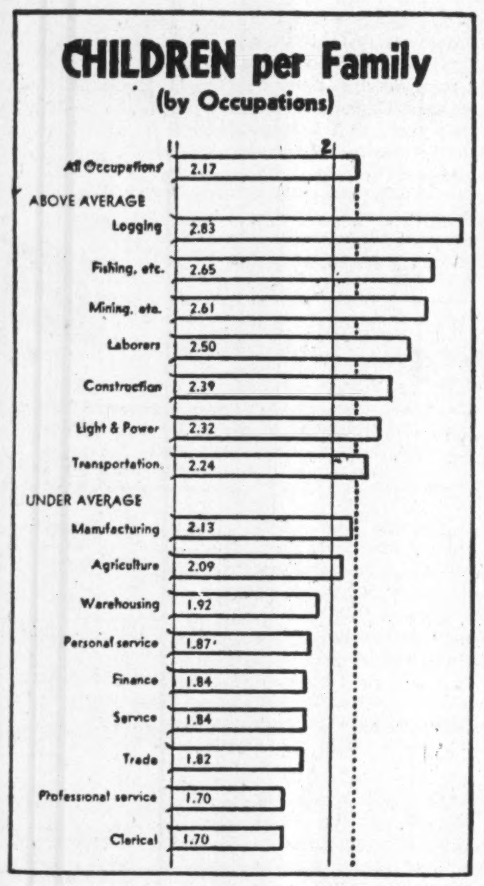
2. Family size also varies according to income. According to the latest available figures, compiled some years ago, here was the average number of children per family in the various income groups:



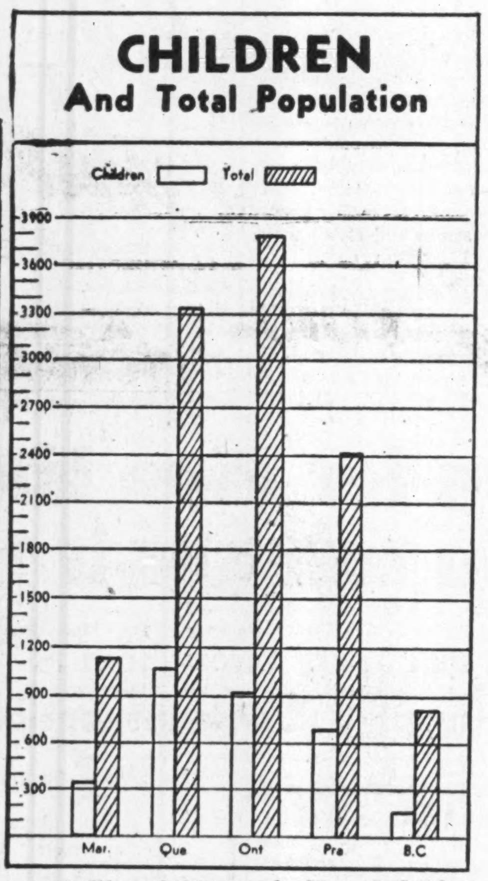
Young children (under 7) are most common in low-earnings families. In 1930-31, 49.77% of wage-earners' children under 7 were in families whose head earned less than $950 a year.

In the higher earnings groups there are more grown children (15-24); the families are kept together longer, and the parents are usually older.

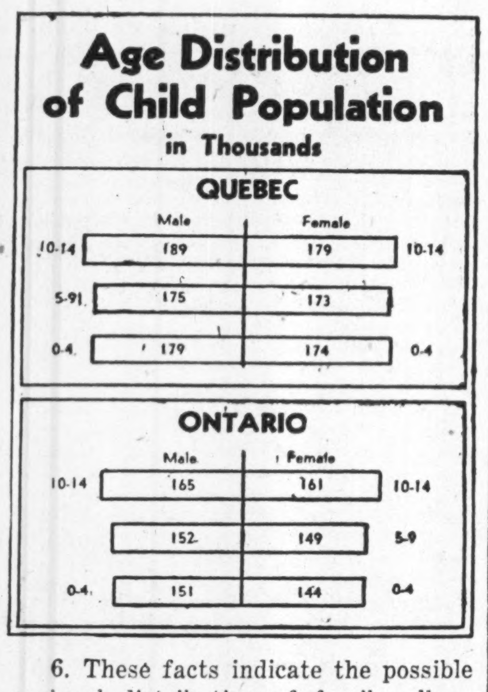
3. Family size also varies by occupation. Trade, finance, service and clerical groups have fewer children than other occupations.



4. Like her total population, Canada's children were spread in 1941 unevenly over the Dominion, grouped chiefly in Ontario and Quebec; British Columbia's child population was lowest in relation to its total.



5. The child population of Quebec is younger than Ontario's, hence will get smaller monthly family allowance grants. Also, families of five or over are more common in Quebec, so that the rate per child falls.

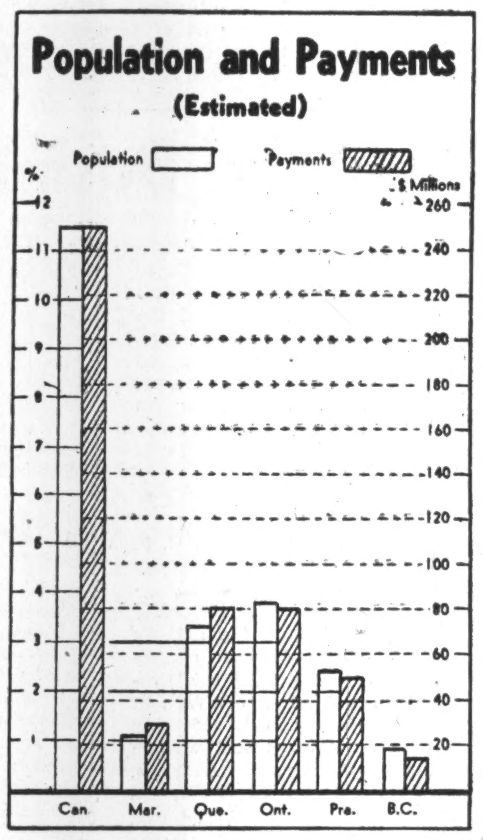


6. These facts indicate the possible regional distribution of family allowances. An estimate given to The Financial Post which takes into account most of the factors, except the income tax adjustment, is:

	Millions Per Year
Maritimes	$25
Quebec	$80 (plus)
Ontario	$80 (minus)
Prairies	$50
B. C.	$15

An important offset against this estimate is the amount by which government expenditure (both Dominion and provincial) to alleviate the consequences of inadequate incomes, will be reduced.

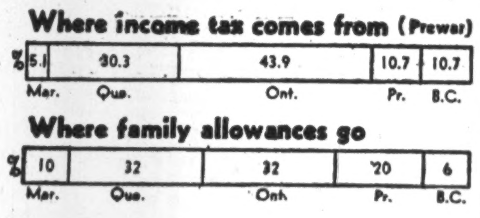
Chart shows this estimated regional distribution of family allowances in comparison with regional distribution of population.



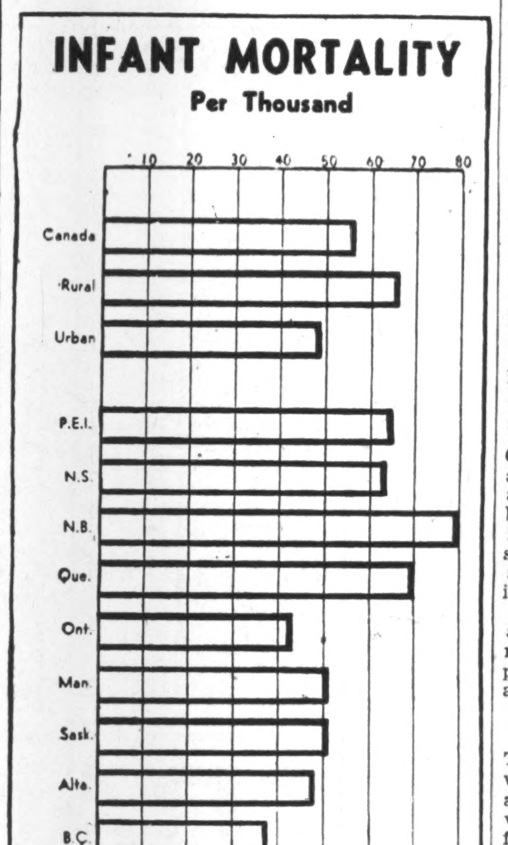
7. Most of Canada's large families are rural. About 44% of all Canadian families live in rural areas. Ten per cent of all Canadian families, 14% of rural Canadian families, have five children or more. In the five children and over group there are 112,000 urban families, 155,000 rural.

8. Most of Canada's children under 16 live in the country. Urban: 1,638,000; rural: 1,772,000. Therefore rural areas will probably get more than half of the allowance money; but city children are older, cost more. Official estimate of the distribution of payments is: rural, $127.2 millions per year, and urban, $120 millions per year.

9. Income tax is a main source of government revenue, hence of family allowance funds. Here is the share of total income tax contribution by areas and indicated distribution of family allowances by areas. Note, however, that in both cases the actual, when the scheme becomes operative, may be different because of different income tax levy, etc. Indirect taxation, the other main source, is less easy to regionalize; but its weight tends to fall most heavily on low-income earners, hence on those who will receive family allowances.



10. Child mortality is one indication of need. In 1940 the number of infants under one year who died, for every 1,000 live births, was:



11. Population growth depends on migration, fertility and mortality.

To omit here the migration factor, the measure of a growing or declining population is net reproduction rate, which, simply put, is the measure of the capacity of the population to replace itself from generation to generation. A reproduction rate of 1 gives a stationary population; 1.50 means an eventual 50% increase per generation; .50 means that ultimately the population is cut in half each generation.

Canada's net reproduction rate is falling, like that of most other western countries. In 1930-32 it was 1.32. By 1938 it was 1.09.

Here are net reproduction rates by Canadian areas (1930-32):

Canada	1.32	Ontario	1.13
Maritimes	1.47	Prairies	1.39
Quebec	1.54	B. C.	0.94

Pre-war reproduction rates for some other countries, the most recent figures compared with 1930, are as follows:

	1930 (Approx.)	Latest
England	0.81	0.78
Sweden	0.86	0.78
France	0.91	0.90
U. S.	1.08	0.95
Germany	0.75	0.93
Australia	0.95	0.98
Italy	1.20	1.13
New Zealand	0.97	1.07

12. Will family allowances help Canada grow?

European experience says, No. Since 1916, some 38 countries have tried family allowance plans. In many cases, the idea was to increase the fertility rate (one of the three on which net reproduction depends). Germany and Italy combined family allowances with medals, birth bonuses, special seats in railway carriages and photographs with "The Leader." The German fertility rate statistics since then are open to some suspicion. The Italian fertility rate, accepted as fairly accurate, dropped from 3.25 in 1930-32 to 2.93 in 1935-37.

Study of all family allowance plans has led League of Nations analysts to say that family allowances may even tend to decrease fertility rates, hence reproduction rates but to improve "quality" of the children — in health, education, training, etc.

Experience in past generations has been that the higher the family income, the more "advantages" desired for the children.

This analysis would suggest, therefore, that family allowances may tend to reduce big families, but perhaps increase child "quality."

13. What is the effect of family allowances on wage rates?

Some sections of organized labor have been opposed to family allowances claiming that they tend to put brakes on rising wages.

Some European schemes did seem to have that effect because of the manner in which family allowance funds were collected and the manner in which benefits were paid out. Typical of these schemes were the provisions whereby family allowances were financed by what amounted to a tax on the wage bill. This, therefore, was an incentive to keep wages down. Payments depended on days actually worked, therefore were not made when they were most needed, during involuntary unemployment. In Australia and New Zealand the bonuses are financed out of general revenue and are payable constantly. In these cases, organized labor is reported now to be an enthusiastic supporter. The Canadian plan parallels the Australian in this respect.

14. Why has Sweden refused a family allowance plan?

Government investigators turned down a family allowance plan on grounds that too much of this money would be spent on things not benefiting the children. (The beer for papa versus shoes for baby argument.) The Swedish plan is to provide rent rebates, give special educational and nutritional assistance, subsidize the manufacture of children's needs, such as clothes, overcoats, rubbers, etc.

15. In no other country has the economic argument (as opposed to the social) been so strongly advanced as a reason for family allowances as in Canada. As explained in last week's Financial Post, a major reason given for introducing this plan at this time is that family allowances provide a major stimulant to the economy, tend to smooth out peaks and hollows in the pace of business, assist in maintaining continuous high level employment.

Two Major Steps for Postwar

Ottawa Puts a Floor Under Farmers, a Hedge Around Exporters

Export Insurance and Credits

Formation of the Export Credit Insurance Corporation, and the credit assistance feature of the measure, not only underline Government determination to keep Canadian trade as close as possible to wartime levels but are recognition of the fact that Canada has become one of the great trading nations of the world.

Introduced by Trades Minister MacKinnon, the resolution provides for incorporation of ECIC "for the purpose of entering into contracts with exporters to insure against risk of loss involved in contracts for the export of Canadian-produced goods."

$5 Millions in Capital

The $5 millions of capital stock and paid in capital surplus will be supplied by the Dominion treasury, and provision is made for loans up to "five times the aggregate of the paid-up capital and surplus of the corporation," indicating a fund of (currently) up to $30 millions behind the plan.

Government financial men explained that the insurance move follows the precedent set by major exporting countries such as the United Kingdom, that it, in fact, marks Canada's coming of age in a trade sense.

Canada's pre-war export trade, they said, was mainly with the stable U. K. and U. S. markets, and such insurance against risks was not necessary. Now, a broader field of export trade is envisaged for Canada, with more risks involved, so Canada is following the example set by other countries in a similar position.

They expect that ECIC will be self-maintaining. Through payment of a premium, to be agreed on later, exporters will be insured against certain risks in their shipments to foreign countries, and the premium is to be adequate to cover the risks involved.

Common Before War

Explaining the measure in the House, Mr. MacKinnon said that before the war some 18 or more countries operated similar export credit insurance schemes of one type or another.

"The essence of export credit insurance," he said, "is that the exporter enters into an export sales contract with an importer in another country and is able to insure himself on a premium basis in respect of the payment risks that are involved.

"The Export Credit Insurance Corp. that is to be set up in Canada is intended to develop for the assistance of Canadian exporters a business of this kind, and it is the intention that it shall operate on a self-sustaining basis, but that it shall be essentially non-profit-making."

Guarantees up to $200 millions, and loans and securities up to $100 millions, to other governments, are provided for under the export credit assistance part of the bill.

Credit Assistance

Outlining this phase of the bill, Trade Minister MacKinnon said that while the insurance scheme would assist traders dealing with countries whose importers had funds available for trading purposes, there would be many other countries where not only importers, but governments themselves, would "emerge from the war period with their financial resources greatly impaired."

Under these circumstances, it was necessary, said the minister, "to have the power to extend direct credit assistance by loans, guarantees or by the other methods provided in the bill, to enable the governments of other countries or their accepted agencies to place orders with Canadian exporters."

Means of Providing Credit

In other words, the measure will make sure Canadians who export goods to such countries will not lose thereby. In some instances the Canadian Government will advance a loan to another government to enable the latter to meet the cost of importing Canadian goods, or it may guarantee the obligations of another government to pay the cost of goods it buys in Canada, or purchase, guarantee or acquire the securities of such a government against the import of Canadian goods.

Aggregate amount of guarantees given by the Canadian Government, however, must not exceed $200 millions, nor aggregate amount of loans and securities $100 millions.

For Transition Period

Government officials point out that this is not a dumping device, that it represents a move to tide exporters over the readjustment period. It will help expand trade, they think, as it means Canada will be able to trade with countries not covered by the present wartime Mutual Aid Pact.

As Mr. MacKinnon said, "it is intended to apply only for a three-year period, as it is expected that the main need for direct credits will arise during the unsettled conditions of the transitional postwar years."

He added that as conditions became more stabilized greater dependence would be placed on the export credit insurance provisions to provide the main means of maintaining and developing Canada's export trade, "in so far as it may prove necessary to continue to give export assistance in any form."

Floor Prices for Agriculture

Canadian farmers, especially western farmers, came a step nearer one of their long-sought objectives, a "floor" under prices of farm products, when Agriculture Minister Gardiner introduced the Agricultural Prices Support Act in the House last week.

The measure provides for establishment of an Agricultural Prices Support Board of three members, and for an outlay "up to an aggregate of $200 millions, for expenditures under the said measure, exclusive of administration expenditures."

Pay Difference to Producers

The Board will have the authority to pay to producers of an agricultural product the difference between a price prescribed by the Board, (the "floor" price), and the average price at which such product is sold on the market, "if such average price is below such prescribed price."

From their studies of the period during which ceiling prices have been in effect on farm products, and of conditions affecting other industries, as well as postwar conditions, the Board will submit to the Minister of Agriculture from time to time recommendations "as to which farm products should have floor prices placed under them, the method by which that should be done, and the level at which those prices should be established." Final decision will, of course, rest with the "governor-general in council."

Can Purchase and Sell

"Once the floor prices are established," said Mr. Gardiner in his explanation of the bill, "the Board will have authority to purchase and sell farm products on the basis of that floor price level, or to set up commodity boards to purchase and sell on its behalf any farm product which is declared by order in council to be one on which it is necessary to have floor prices, and as to what that floor price is."

He added that setting up of the Board, and the study of existing conditions, would be undertaken at once, but that the actual buying and selling of goods, if it became necessary "during the transition period from war to peace," would come into effect by proclamation when it was essential to act.

It was the intention, he said, to name a permanent chairman now, with the two other members appointed pro tem from the agriculture department. Permanent members would be appointed after the war, he stated.

Producer Representation

Commodity boards were provided for under the act, said Mr. Gardiner. Regional, producer and possibly business representation would be provided for on these boards. An advisory committee was also provided for. Mr. Gardiner thought producers would have more effective representation on this advisory committee, and on the commodity boards, than if they had a place on the Agricultural Prices Support Board itself.

Producer representatives would feel more free to express their opinions, to criticize actions of the Board, if they were not drawing their salaries as Board members. The advisory committee, he said, "brings before the Government the advice of those immediately concerned and makes it possible for the Government to act upon it or give reasons why it should not."

Wheat Not Included

Wheat is one agricultural product that does not come under the bill, said Mr. Gardiner, along with other grains. But, he added, the Board will be "taking into consideration what is happening in regard to wheat . . . all the facts in relation to wheat will have to be kept in their proper relation to the provinces in which wheat is grown, and in relation to the farm income of Canada."

Asked why wheat did not come under the Board, Mr. Gardiner said that wheat has come under the Department of Trade and Commerce for some years now, and that under this department a wheat board has been established, which is doing or trying to do what the Agricultural Prices Support Board contemplated doing. Other grains were dealt with by the Wheat Board too.

If it was found necessary to put a floor under grains, the commodity board to handle that matter would be the wheat board, functioning like a dairy or a meat products board under APSB.

Watch Domestic Prices

The Board would also have something to say about domestic price variations, declared Mr. Gardiner.

"Not only will it be necessary to stabilize prices as between the war period and the postwar period," he said, "but it will be, as it has been, necessary to stabilize prices seasonally."

He mentioned dairy products as a case in point. Butter and cheese, he said, were produced in the summer and carried over into the winter months in storage for use then, although consumption was as high in winter as in summer. There had been speculation by those who have stored such products in one period for use in a later period.

Under the new bill it was hoped to "level out these prices and to stabilize them on some fair level," with the commodity board taking over storages during the summer and thus having control of prices in the winter.

Vancouver Island's Seaweed May Establish New Industry

From Our Own Correspondent

VANCOUVER.—Supply of agar-agar sufficient to meet all Canadian needs can be developed from B. C. seaweed and possibly additional sources may still be discovered, according to results of an investigation just completed by the B. C. Industrial and Scientific Research Council. Agar-agar, which before the war was a Japanese monopoly and has been unobtainable for some time, formerly retailed at about $3 a pound. Besides being used medicinally it is highly valued in scientific and biological research work as a culture base and solidifying agent.

Gracilaria, a seaweed from which agar-agar is manufactured, is found on the east coast of Vancouver Island in the Comox and Campbell River (Cowichan) areas. The search for a suitable growth of Gracilaria was undertaken by the B. C. research council following a request from the Krim-Ko Co. and a report to his Toronto office has been forwarded by Col. G. M. Schrum, acting director of the company. Col. Schrum states that Gracilaria is only one variety of a number in B. C. with commercial possibilities. Varieties of kelp found on the coast may be utilized in production of fertilizer, salt and paint.

The potential agar-agar source was discovered by Dr. A. H. Hutchison, head of the biology and botany department at the University of British Columbia, who undertook the search for the council assisted by A. A. Sherman, fisheries guardian. The Cowichan source of the valuable seaweed may yield about 300,000 pounds of agar-agar a year.

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U. S. Wants Cheaper Wheat

CCC Said Still Balking at Wheat Board Prices

From Our Own Correspondent

WINNIPEG.—Buying of Canadian wheat by the Commodity Credit Corporation of the United States, which has been a major factor in the Canadian wheat situation during the past year, has been discontinued. Stories differ.

Official explanation of the Commodity Credit Corporation is that Canada, that is the Canadian Wheat Board, is asking too much for its wheat, and the inference is left that when there is a reconciliation of ideas on the question of price between the agencies of the U. S. and Canadian governments, buying may be resumed on a large scale.

After the Canadian market was closed, and the Canadian Wheat Board was left with the whole task of disposing of Canadian wheat, that Board naturally attempted to use the basis of Chicago market prices in negotiating sales to the United States. As a monopoly seller in this country it was faced with a monopoly buyer on the other side of the line, for while the Commodity Credit Corporation as a government agency could import wheat from this country, technical factors kept any commercial organization from engaging in the trade. That body was willing to accept Chicago prices as a basis for trading, but only on condition of deducting from prices prevailing there the amount of an imaginary duty of 42 cents per bushel. That is the duty which would apply on wheat commercially imported for milling, but the government agency did not have to pay any duty in the first place, while in the second place lower duties would have applied on wheat imported for feeding, and in the third place duties on feed grain were completely suspended by Congress during a considerable period.

Evidently the Canadian Wheat Board accepted the situation, and for months it made daily offerings to firms acting with the U. S. Government agency, based on such a formula. Contracts were made for many million bushels.

U. S. Crop Influence

Then the Chicago price began to decline, under the influence of a very heavy crop coming to market. The Canadian Board, having established an offering price in the neighborhood of $1.40 per bushel, tried to maintain that, in spite of the decline at Chicago. The American agency insisted that before it would do business the Canadian price must follow the American price down. So keen had been the buying from the United States that the Canadian Board felt safe in maintaining the price level at which it had been able to do so much business.

Just about the time when a deadlock seemed to be developing, the Canadian Wheat Board established a representative in Washington, presumably in the hope that difficulties could be ironed out there in direct contact with senior officials of the U. S. Government.

If such a hope was entertained, it has proven illusory, for the time being at least. The Commodity Credit Corporation insists that it is not going to be interested again in Canadian wheat until this country's prices are brought into line with CCC ideas.

U. S. critics of the Commodity Credit Corporation refuse to accept this official explanation as completely covering the situation. They suggest that wheat buying from Canada had already been overdone, in view of the new crop situation, and that there would be no place to put imported wheat. Elevators are plugged with new crop American grain, and so also are transportation channels. It is claimed American railroads need all the cars they can spare to grain for U. S. crops. It is reported that lake vessels carrying Commodity Credit Corporation wheat have more than once had to be held at Buffalo under demurrage, awaiting the opportunity to unload. Vessels previously lined up for the carriage of Canadian wheat to U. S. lower lake ports have been dismissed from the grain trade, and put into carrying pulpwood.

It is believed that some of the Canadian wheat previously imported had been resold for export to certain neutral countries. There was speculation for a while as to whether this was the result of previous over-accumulation of wheat in certain positions, or part of a deliberate policy to increase the apparent size of the American share of the world wheat market.

It may be that the price disagreement between the two government agencies has not yet been a source of embarrassment to Canada. Indeed for a while it appeared that so much of the available stocks in shipping position had been accumulated by American interests as to make it difficult to find wheat for other destinations. Lakehead stocks of wheat have at times been at an uncomfortably low level, and western railways have had difficulty in moving in wheat rapidly enough to replace shipments. But if the American outlet cannot be re-established, wheat supplies are likely to back up in western Canada during the coming crop year.

Quite evidently the problem of price negotiations with other government agencies is one that contains the possibility of a good deal of difficulty for the Canadian Wheat Board.

Boost Grain Deliveries To Beat Quota Deadline

Expect Some Regulation For a Time in Heaviest Crop Areas — Wheat Board Issues Price List on Main Grades Under No. 1 Northern

From Our Own Correspondent

WINNIPEG. — Western Farmers last week rushed to country elevators 16.4 million bu. of grain, of which 10.6 million bu. was wheat; the total grain delivery was nearly five million bushels more than for the previous week. Their haste was due to a desire to take advantage of the quota-free position prevailing up to July 31. Deliveries after that date will apply on whatever quotas are imposed by the Canadian Wheat Board, and it is expected that some regulation of deliveries by quotas will be necessary, at least for a time and in those areas with the heaviest crops.

Other factors in the situation include a desire to clear farm granaries for accommodation of the coming crop, a realization on the part of many farmers that their income in 1945 may be as large as in 1944—so there is no point in attempting to transfer income for tax purposes from this to the following year—and also the fact that while awaiting harvest, farmers have time available for grain hauling.

Deliveries Above Last Year

Total grain deliveries by farmers for the crop year, except for the last day, amounted to 547 million bu. as against 483 millions the previous year. Wheat deliveries accounted for 310 million bu., oats 118 millions, barley 82 millions, rye 10 millions, and flax 11,400 bushels. Flax was the only grain to show a decline, with a drop of three million bu. from the previous year.

Wheat Board's Price List

The Canadian Wheat Board has issued a price list covering the principal grades of wheat lower than No. 1 Northern, for which the initial price, in accordance with announcement of a year ago, continues at $1.25, basis lakehead terminals. Discounts for lower grades remain the same as last year. Durum wheat prices, however, are on a different basis than last year, with levels corresponding to the northern grades of spring wheat, instead of at premiums averaging five cents a bushel over. Some time ago the Wheat Board gave notice that it did not expect the premium position for durum wheat to be maintained for the new crop.

Crop observers are modifying some of their enthusiasm of two and three weeks ago with respect to the size of the coming crop. Undoubtedly it is far better than was expected back in the spring, after a dry seeding season, coupled with small reserves of subsoil moisture, had created fears that the West was in for a drought year. Subsequent rains throughout June and July brought about remarkable improvement. Large parts of the West received so much more rain than usual that subsoil moisture deficiencies were overcome, and in places there was too much moisture. For a time almost every farmer in the West thought that he was going to have an excellent crop. Then as the season developed it became clear that moisture deficiency still persisted over considerable areas, and that elsewhere rains had come too late to overcome all of the setback originally created by dry conditions.

Crop Expectations Modified

It is now apparent that this year's total crop production, while on the whole likely to be good, will fall a good deal short of what would be possible under ideal conditions. Perhaps half of the total seeded area will have very good crops. On perhaps one quarter of the seeded area production is likely to range from poor to fair, and on another quarter from fair to good. Of the three provinches. Manitoba has the best overall prospect. Alberta, where a considerable area seems likely to have a poor crop, while conditions in other parts are very good, will make the poorest showing of the three.

The total wheat crop may go well above 400 million bushels. The 500 million mark, which a short time ago was freely discussed, seems unlikely of attainment.

There is reason this year to be thankful for the rust resistant wheats which are now grown almost exclusively in the areas formerly most susceptible to rust. Recent weather might otherwise well encourage the spread of rust. There is enough rust infestation south of the border, where a good deal of damage has already occurred, to make probable the distribution of rust spores on the Canadian side of the line, and rapid development on any suitable hosts. Even durum wheat, usually regarded as rust resistant, seems to be succumbing to varieties of rust prevalent this year in Nebraska and in the Dakotas.

Montreal to Build More Brazil Ships

From Our Own Correspondent

MONTREAL.—In a recent interview Captain Alberto Fontoura, marine superintendent of Brasileiro-Lloyd, stated that the Brazilian shipping company plans to construct at least eight medium-sized freighters in Montreal. Canadian Vickers is now working on four of them; expects to deliver two in September, the other two in December, he added.

Construction of two of the remaining 4,450 ton ships is expected to begin shortly after the first of the year, he said, with two more in 1946. The freighters will be used in the South American coastal service, the captain added. Brazil's maritime losses have been heavy, he said, particularly during the U-boat blitz along the Atlantic coast in 1942, when 23 Brazilian ships were sunk within a few months by enemy action.

Brazilian Traction Light & Power Co. reports June net earnings (before depreciation and amortization) of $2,596,012, 8.14% higher than in June, 1943. Gross earnings rose 11.46% to $4,886,318 and operating expenses were 15.48% higher at $2,290,306. For the first six months of the calendar year, aggregate net earnings were $14,593,541, 7.03% above the first six months of 1943.

Wheat Prices

Winnipeg Grain Futures

Week of Aug. 1, 1944

Crop year from Aug. 1, 1943 High	Low		High for week	Low for week	Close July 25
Oats*					
.51½	.51½	May	.51½	.51½	.51½
Barley*					
.64¾	.64¾	May	.64¾	.64¾	.64¾
Rye					
1.34¼	1.04⅝	July	1.06⅝	1.04⅝	1.03
1.30⅞	1.04¼	Oct.	1.07⅛	1.04⅞	1.05⅝
1.12	1.04	Dec.	1.06¾	1.04¾	1.06⅜
1.13⅛	1.10	May	1.09¾	1.07⅝	1.08

*At ceiling.

Cash Quotations

	For Week Aug. 1, 1944 High	Low	Prev. Week High	Low
Oats*:				
2 C. W. ..	.51½	.51½	51½	.51½
3 C. W. ..	.51½	.51½	51½	.51½
Barley*:				
1 Feed ..	.64¾	.64¾	.64¾	.64¾
2 Feed ..	.64¾	.64¾	.64¾	.64¾
Rye:				
2 C. W. ..	1.06⅝	1.04⅝	1.10⅜	1.05⅜

*At ceiling prices.

War and Business

Square Glass Bottles

Square milk bottles of glass—possibly inspired by experience with the relatively new waxed paper cartons—have entered the changing container picture. Square receptacles, announced by Owens-Illinois Glass Company, Toledo, Ohio, may grow in use as savers of space in domestic refrigerators, processors' cold rooms and delivery trucks.

* * *

Underground Food Cache

Every cave owner in the U. S. reportedly is watching hopefully a move by the War Food Administration to utilize underground workings to bolster the nation's critical supply of cooler accommodation. "Business Week" reports a lease between WFA and Kerford Quarry Co., covering part of an old but still worked limestone mine near Atchison, Kansas. "Biggest refrigerated warehouse in the U. S. and first big underground food storage space" is being provided in 12 million cu. ft. of the man-made caverns after a $1 million refrigeration machinery installation. A start has been made on storing of 75,000 tons of government-owned lard, meat, fruit and eggs. WFA also is reported considering some of the abandoned mines in Oklahoma for food storage.

* * *

No Change in Bathtubs

The biggest postwar change likely in plumbing is that more of it may be used. Planning may be better and attractiveness continuously more evident but there is little likelihood of major structural and material changes in bathroom and kitchen plumbing. That is the consensus of U. S. and Canadian authorities as reported by the Canadian Institute of Plumbing & Heating. "So go ahead," says the Institute, "and plan your postwar bathroom now, without the need to wait and see whether your next-door neighbor has a transparent, tubular-lit, radio-controlled, plastic collapsible bathtub. He won't."

* * *

Dual Climbing Power

Something decidedly unusual in the way of a special purpose truck is reported to the lumber industry by Clarke Bros. Timber Co., Harrison Lake, B.C. Hauling an average of 8,000 ft. of logs 7½ miles to an elevation of 2,000 ft. with a grade up to 18%, the Clarke firm reports a reduction of 30% in return trip time. Features are twin engines, two rear ends, two drive shafts and two transmissions. The motors are synchronized. General idea is that the dual engine installation provides continuous drive on steep grades. When changing gears one engine is wide open while the transmission on the other is being changed. The second engine is then stepped up and the gear change made on the first one. In this way, one engine is always driving and there is never any slack. That this continuous drive arrangement saves strain and stress may be indicated by the company's statement that it has never had a broken shaft or a torn transmission during more than a year of heavy operations with the equipment.

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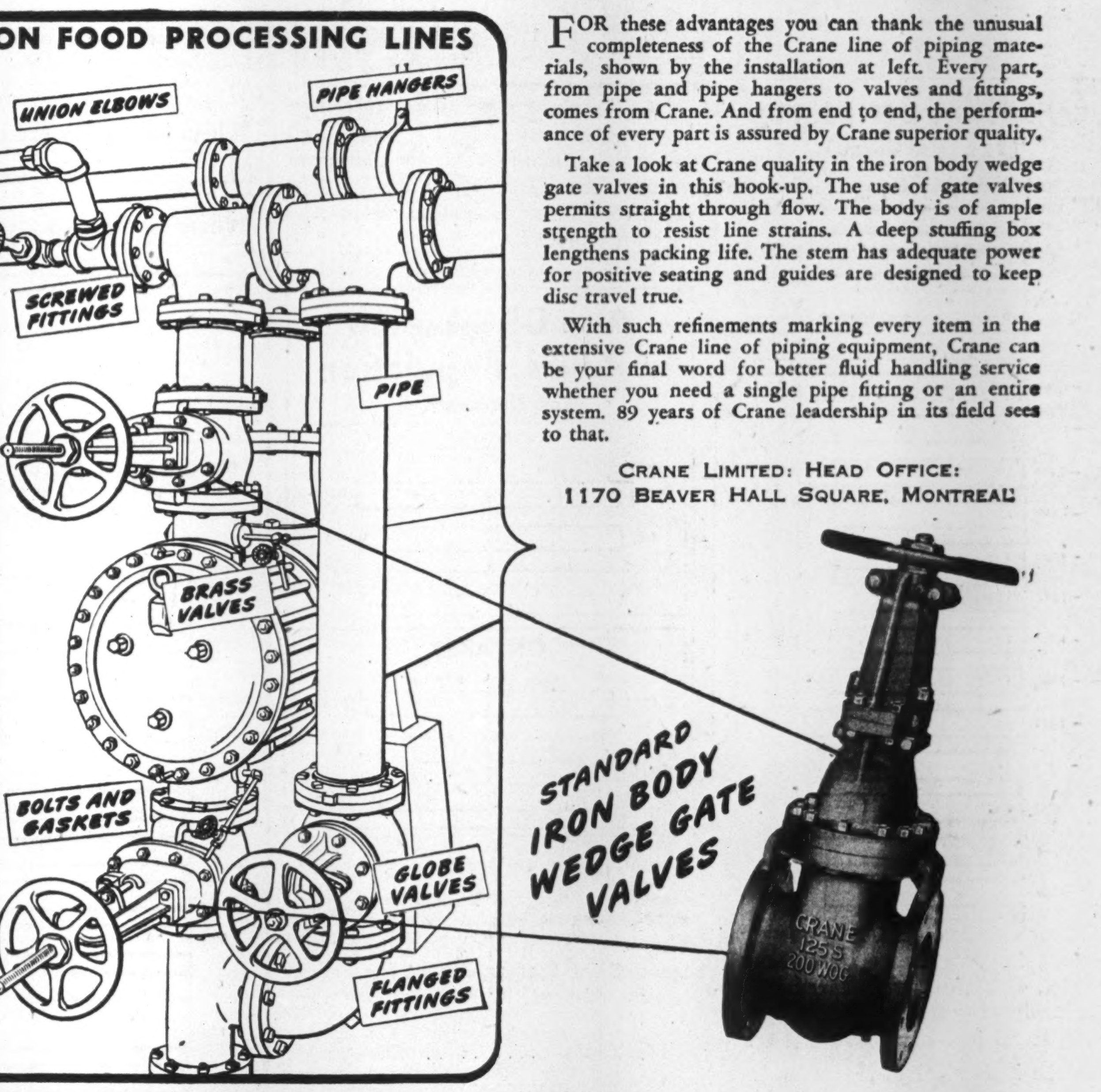

FOR these advantages you can thank the unusual completeness of the Crane line of piping materials, shown by the installation at left. Every part, from pipe and pipe hangers to valves and fittings, comes from Crane. And from end to end, the performance of every part is assured by Crane superior quality.

Take a look at Crane quality in the iron body wedge gate valves in this hook-up. The use of gate valves permits straight through flow. The body is of ample strength to resist line strains. A deep stuffing box lengthens packing life. The stem has adequate power for positive seating and guides are designed to keep disc travel true.

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"Let's Start a Bank"

A Series on How the Chartered Banks Are Organized and How They Operate

"Don't forget," said Harry, when the three friends got together again to discuss formation of a bank, "that a bank is only as good as its staff, and that means every member from the youngest junior up."

"Guess that's right," admitted Dick, "a bank's success depends a lot on the courtesy and efficiency of its staff."

Tom, who had been deep in thought, chimed in then.

Men in the Branches

"Harry," he said, "you told us the other day about the men of the head office staff and their duties. They're fundamental to the success of the bank, of course, but that remark you made a moment ago about a bank being only as good as its staff made me think. I guess the people that run the bank's branches are pretty important too. How about telling us something about them."

"Canada's system of branch banks," he started, "is one reason for the soundness of Canadian banking. The branches of Canada's 10 banks pretty well cover the country, and it is generally found that the profits from the prosperous communities they serve more than make up for whatever losses they may suffer in less prosperous areas. That's one reason why Canada's banks are stronger, more able to endure financial stress and strain than those in the United States."

"They have what they call the unit system of banking down there, don't they?" interjected Dick.

Canadian System Strong

"That's right," Harry went on, "and that means that often down in the States you get retired farmers and businessmen running banks. Their loan policy is not as foolproof as the Canadian, and, with each bank standing on its own feet, when the going gets rough many of them can't survive as easily as can Canadian banks, which have the backing of a strong bank operating with branches clear across the country."

All Started at Bottom

"Isn't it a fact that practically all top banking men today started right at the bottom of the ladder?" asked Dick.

"That's right," Harry agreed, "and as a result, when a man gets up to be a branch manager, or holds an important head office position, you may be sure he has a sound and practical knowledge of Canadian banking methods, learned the hard way.

"Further than that," he went on, "Promotions within the bank are based on ability rather than on seniority."

Back to Branch Managers

"When a manager is sent into a community, he is expected to take part in community affairs, as well as to study the industrial setup and to carry on his banking business efficiently. A promising man will likely be sent to many different centres across Canada, until he gets a good working knowledge of industrial and business conditions across Canada as a whole."

Loans in Banking

"How about the loan part of banking?" asked Tom, "does a branch manager have much to do with that?"

"The way it works is this," replied Harry. "The branch manager receives applications for loans. If they are below a certain amount, he can decide for or against them himself. If they are above that amount, he sends them on to his district superintendent, who can decide on them one way or another if they are not above an amount he is authorized to deal with. Requests for the larger loans are sent on to head office, where the general manager or the board of directors itself passes judgment on them."

"I thought the deposit business was pretty important too," remarked Dick.

"They certainly are," said Harry, reflectively. "In fact, there is a strong body of opinion that a really successful branch manager is one who, through attaining a high rate of efficiency in his staff, through courtesy and generally able service, makes his bank the favored repository for the funds of the community."

More B. C. Fish Seen For U. K.

But Hope Domestic Market Will Get Bigger Share of Canned Salmon

From Our Own Correspondent

VANCOUVER.—There is a good prospect that shipments of British Columbia fish to the United Kingdom from this year's pack will be greater than ever before.

It is probable that in addition to a large proportion of the canned salmon pack, estimated roughly at about 1.5 million cases, and nearly all the canned herring, about 2 million cases of frozen halibut will also be exported to Britain.

Very little canned herring will be released for Canadian consumption this year, as there is a large stock on hand from the 1943 pack. Canned herring has never caught the consumer's fancy in this country, and a big merchandising job is ahead for the industry if a real effort is to be made to popularize this variety of fish. Otherwise, it will simply vanish as most "war babies" usually do.

May Keep More Salmon

However, there will be at least as much canned salmon for the domestic market as there was last year, and probably more, according to Dr. D. B. Finn, deputy minister of fisheries, who has concluded a series of conferences with fishermen and operators on the coast.

It is expected that the same prices will prevail this year as in 1943.

For once the season for salmon fishing was not preceded by time-consuming negotiations over wages and prices with the fishermen. There was prompt agreement on approximately the same terms as prevailed last year.

Staff Changes

The Bank of Nova Scotia announces the following staff changes:

J. O. WALSH, to be manager at Welland, Ont.

A. BOURGON, to be manager at Brownsburg, Que.

Quebec Shows Large Surplus

Revenues Above Expenditures and Capital Outlays For Third Year

From Our Own Correspondent

MONTREAL. — Financial statement of the Province of Quebec for the fiscal year ended March 31, 1944, appearing in the July 22 issue of the Quebec Gazette, indicates that ordinary revenues, for the third year in succession, exceeded not only ordinary expenditures but also capital expenditures. This "over-all" surplus for the most recent year totalled $1,285,160 compared with like surplus year before of $870,876, while surplus of ordinary revenues over ordinary expenditures was $10,476,771 against $12,701,872.

Capital expenditures during past year were less than year before by over $2½ millions, at $9,191,611.

Ordinary revenues for 1944 fiscal year are reported at $93,036,713 compared with $92,770,109 in 1943 year, ordinary expenditures at $82,559,942 against $80,068,237.

The surpluses shown for past year contrast with a deficit on ordinary account of nearly $18½ millions in the fiscal year ended June 30, 1940, while "over-all" deficit, after taking into account capital expenditures of over $34 millions in the 1940 year, was over $52½ millions.

Sales Tax Return

Contributing to record provincial revenues during the past year was a further increase in sales tax to over $13¼ millions. Gasoline tax revenues, at $11.8 millions, also showed a slight increase. Chief item in ordinary revenues, the corporation tax, returned this past year over $16 millions, a slight decline from year before. However, most other revenue items, including tobacco tax at over $4 millions, Motor Vehicle Act revenues at over $7 millions, were higher.

Funded debt at end of fiscal year, at $318,946,000, showed a decline from the $334,644 total for year before, and total of funded debt and temporary loans and deposits, at $359,674,000, also was lower than year before, when figure was $363,966,000. Over 76% of the province's funded debt is payable in Canadian funds only.

Among expenditures, further increases were shown for most departments. For education and the Dept. of Provincial Secretary, outlay of over $14 millions in the 1944 fiscal year compares with slightly over $5 millions in 1941 year. Expenditures on agriculture, at $6¾ millions, was down from year before but up substantially from the $4 millions figure for 1941 year. Highway construction, health and social welfare, colonization, all received increased grants this past year.

Liquor Profits Higher

The trade account of the Quebec Liquor Commission amounted to nearly $11 millions for the past fiscal year. Out of this amount, a grant of $1 million was made to the Public Charities Fund, leaving net return to the province at just under $10 millions. This compares with total for previous year of just over $8 millions.

In commenting on the expenditures for new road construction in the province, at nearly $8 millions for the past year, the report points out that for the last three years the heavy expenditures on new roads have been met out of ordinary revenues, without any increase in the funded debt, for this purpose.

Fire Prevention Week, Oct. 8-14

Precautions against fire will be stressed the week of Oct. 8-14 when, by official proclamation, Fire Prevention Week will be observed throughout Canada.

The proclamation, stating that in the past 10 years 470,000 fires in Canada have destroyed insurable property valued at more than $264 millions, taken the lives of 2,869 persons and seriously injured at least 10,000 others, stresses the desirability of directing attention toward prevention and control of fires.

Inspections of residential and public buildings as well as farm buildings, warehouses, elevators, etc., is recommended in the proclamation. It is also urged that fire drills be held in schools, other institutions and factories, and that fire prevention regulations be publicized widely.

BANK OF CANADA

Note Circulation At $936,908,854

Reflecting greater cash needs of the travelling public in the summer holiday season, note circulation of the Bank of Canada showed another increase, from $932,352,503 to $936,908,854, according to the bank statement for the week ended July 26. Also reflecting the trend was the drop in total deposits, from $469,407,875 to $466,322,911.

Total assets of the Bank of Canada stood at $1,443,048,872 at July 26, an increase from the previous week's total, which was $1,433,326,599.

Liabilities	July 26 1944 $	July 19 1944 $
Capital paid-up ..	5,000,000	5,000,000
Notes in circ.	936,908,854	932,352,503
Rest fund	8,041,601	8,041,601
Deposits: Dom. ..	62,141,185	51,042,051
Chartered bks.	394,236,022	394,738,851
Other	9,945,704	23,626,973
Total deposits ...	466,322,911	469,407,875
All other liabs. ..	26,775,506	18,524,621
Total liabs.	1,443,048,872	1,433,326,599
Assets		
In sterl. & U. S.	19,893,349	13,943,349
Subsid. coin	482,515	504,148
Investments:		
Dom. gov. sh..	809,099,392	812,309,239
Oth. Dom. gov.	599,239,367	591,267,762
Total invest.	1,408,338,760	1,403,577,001
Premises	1,981,830	1,985,652
All other assets .	12,352,417	13,416,448
Total assets	1,443,048,872	1,433,326,599

Life Insurance at Work

Case Histories of the Results of Wise Insurance Buying Based on Actual Cases — Names Altered

THE PROBLEM

A young woman in a Canadian city found that on the death of her father she would have to contribute to the maintenance of her mother. She was a stenographer with a firm of lawyers and the increasing responsibility stirred her ambition and energy. She shortly became secretary to one of the partners and was earning a good salary. She wanted to provide for her own old age and also for her mother. The latter was a secondary thought, however, as she was in good health and she believed she would live a long time, to help support the mother.

THE SOLUTION

She took out a policy that gave her $5,000 life insurance protection, and at the same time gave her $50 a month pension to begin at age 55. This, she felt, would accomplish her object of providing for her own old age and also give her mother something if she died in the meantime. Three years later she died.

THE RESULT

Her mother, under the settlement options, took $500 cash, leaving the balance to be paid out by monthly payments of $60 for the next seven years. Thus, while the daughter did not benefit herself from the pension feature of the contract, the mother and the rest of the family had seven years to adjust themselves to the new conditions with no assistance to the mother's upkeep being received from the daughter.

Insurance Sales $326.9 Millions

Canadian and Newfoundland figures for sales of new life insurance show further increase in the totals for June and for the first six months of 1944, in comparison with 1943. June, 1944, figures were at $54.3 millions, up by nearly $2 millions over the $52.4 millions of June, 1943. For the six month period of 1944 figures were $326.9 millions, far ahead of the six-month total for 1943, $280.8 millions.

Released by the Canadian Life Insurance Officers' Association, the figures are based on reports from 18 companies, representing 86% of the new ordinary life insurance in Canada and Newfoundland. Increases, revivals, annuities, etc., are not included. Figures for the month and the six-month period, by provinces, follow:

Sales for June:	1944
British Columbia	$3,981,000
Alberta	3,297,000
Saskatchewan	2,254,000
Manitoba	3,504,000
Ontario	23,057,000
Quebec	13,661,000
New Brunswick	1,424,000
Nova Scotia	1,950,000
Prince Edward Island	441,000
Newfoundland	765,000
	$54,334,000
Six Months:	
British Columbia	$23,989,000
Alberta	19,155,000
Saskatchewan	12,180,000
Manitoba	19,018,000
Ontario	140,156,000
Quebec	84,558,000
New Brunswick	9,173,000
Nova Scotia	11,885,000
Prince Edward Island	1,883,000
Newfoundland	4,911,000
	$326,908,000

Ask Insurance Men For Case Histories

As an aid to the layman in solving his insurance problems, The Financial Post is running on its insurance page weekly a case history giving a specific instance of the intelligent use of insurance. These cases are genuine ones, although names and such details as might lead to identification are changed. Underwriters who have had interesting cases in point are invited to send them in for publication, addressed to the Insurance Editor, The Financial Post, 481 University Ave., Toronto.

Canada Life Opens 3 Michigan Offices

Three new offices have been opened in the state of Michigan by the Canada Life Assurance Co., with head office in Toronto. The new branches are located at Muskegon, Jackson and Pontiac, and in charge of them, respectively, will be, Wayne Q. Branch, C. E. Baker and Douglas D. Harger.

Mr. Branch joined the Canada Life earlier this year, and has had many years experience in the life insurance business. Both Mr. Baker, who joined the company in 1935, and Mr. Harger, who came to the company early in 1943, qualified as members of the Quarter Million Club last year.

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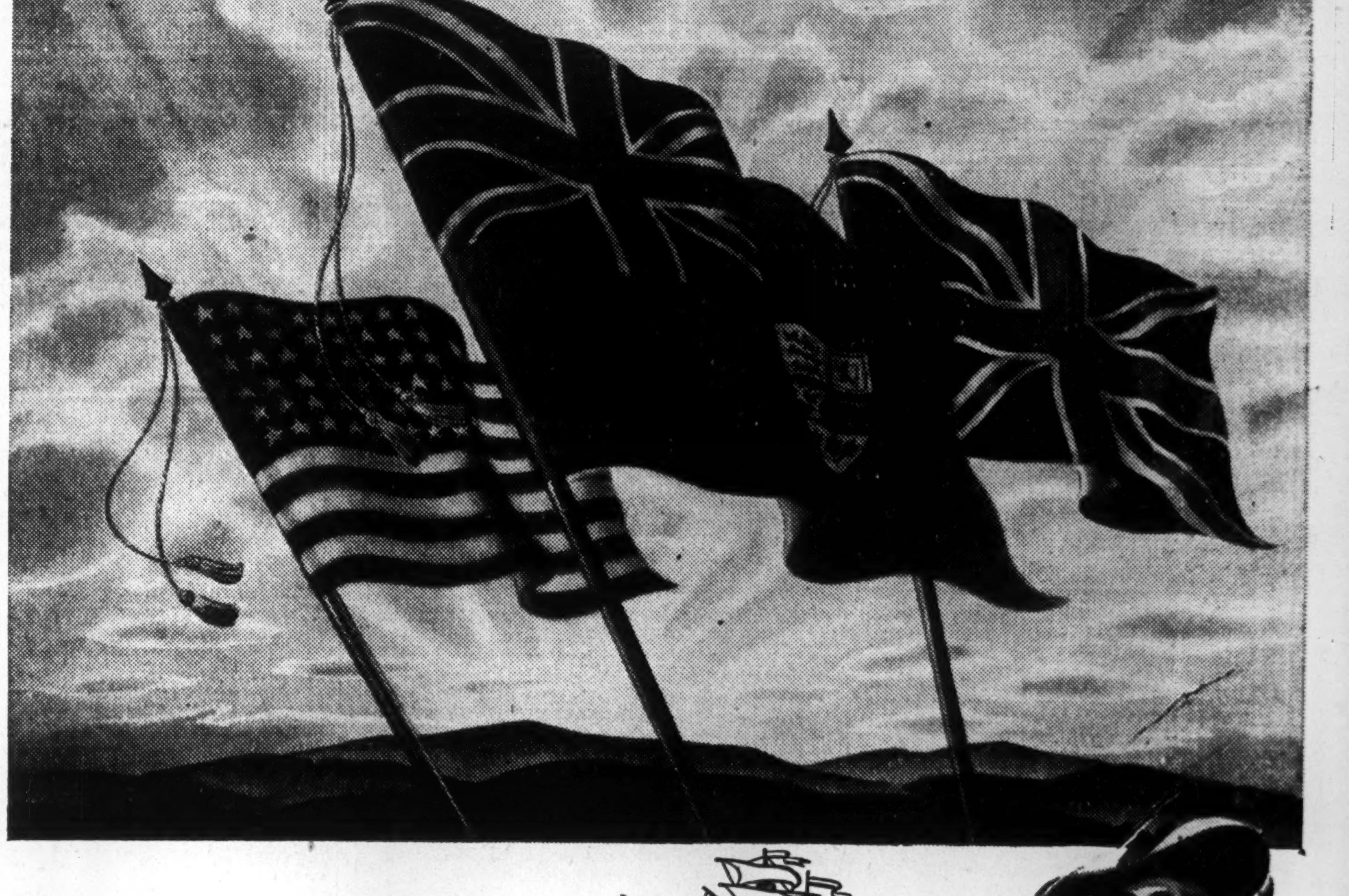

FOR a long time now, John Bull, Uncle Sam and Johnnie Canuck have been doing business together. Today, more than ever, we are united in a common purpose.
Side by side, Canadians, Americans and Englishmen march along the road that leads to final victory. On the hot sands of North Africa, on the slopes of Sicily and Italy, our men have fought well together . . . given strength one to the other. Now, we look forward to the peace . . . and the ways in which we can preserve it.
Future world security rests to a large extent upon continued co-operation between the British Commonwealth and the United States. Of all nations, Canada is best situated to assure such co-operation. For we, of Canada . . . a major member of the British Commonwealth, have long been a close friend and neighbour of the United States. We *know* and *like* them both so well, we are the common meeting-ground for mutual understanding. Thus will Canada help the world to Win the Peace!
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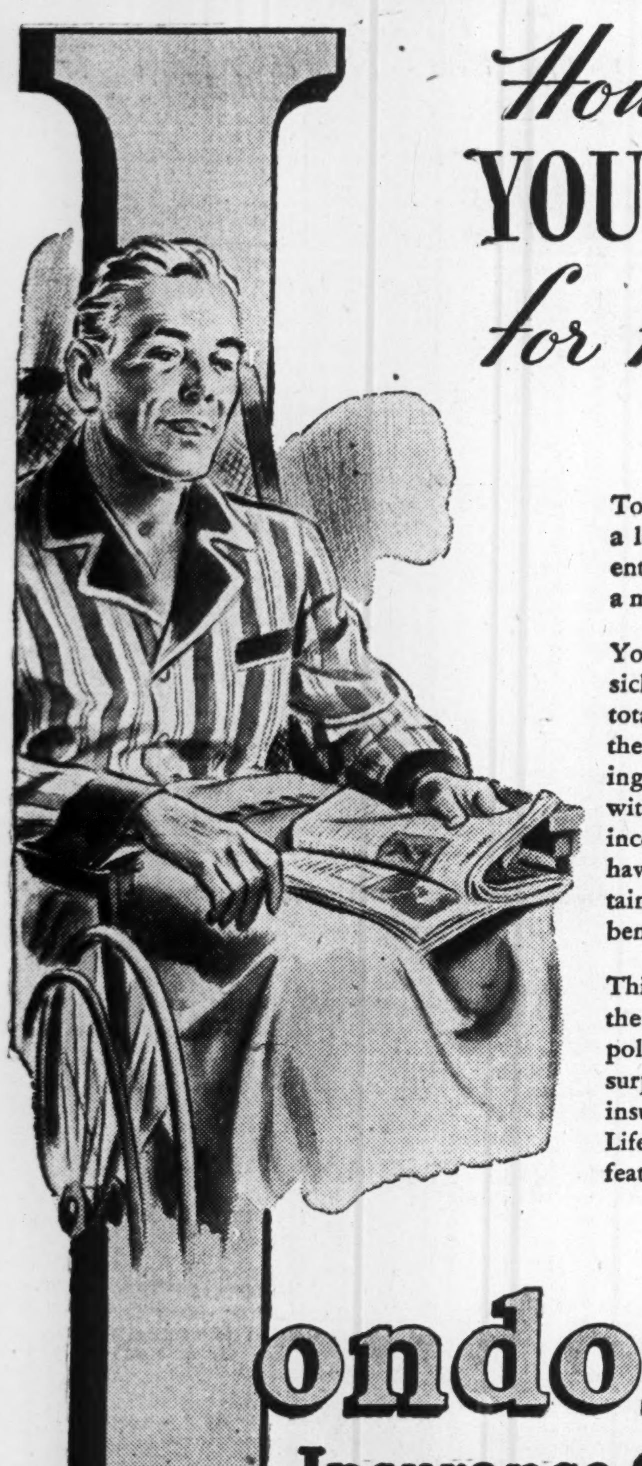
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THE WEEK'S QUOTATIONS

Montreal and Toronto Week ending Monday close

Winnipeg and Vancouver Week ending Saturday close

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING JULY 31

Range 1944 High	Low	Div R'te $	July 29 Y'ld %		Sales	Last July 24	Week end. July 31 H	L	Cl'se
4½	2½	.	...	Abitibi	36136	3½	4½	3¾	4
43½	27	.	...	Do. pref. 6%	17506	40	43½	40½	42
13	8½	.	...	Algoma Steel, c	415	11½	11½	11½	11½
98	89	5	5.2	Do. pref.	15	96	96½	96½	96½
99	88	6+2	10.2	Aluminium	600	93	92¾	92	92
101½	96½	5	4.9	Alum. of Can p	186	101	101	101	101
22½	22½	.	...	Andian Nat.	10	..	22½	22½	22½
52	47	.	...	Ang Can Tel p	25	52	52	52	52

Range 1944 High	Low	Div R'te $	July 29 Y'ld %		Sales	Last July 24	Week end. July 31 H	L	Cl'se
28½	19	†.35	...	Fraser Cos.	711	26	27½	26½	27
95	82½	▲6+1½	8	Freiman, pref.	15	95	95	95	95
10	8¾	.80	8.4	Gatineau Pwr.	895	9	9½	8¾	8¾
90	84	5	5.6	Do. pref.	435	88	88	86	86
95	90	5.50	6	Do. 5½% pref.	277	95	95	95	95
15½	11½	†.50	...	Gen. St. Wares	1740	15	15½	15	15
111½	108	7+.44■	..	Do. pref.	70	111	111	111	111
96	84¾	2.50+2	4.5	Goodyear Tire	15	95	95	95	95

Range 1944 High	Low	Div R'te $	July 29 Y'ld %		Sales	Last July 24	Week end. July 31 H	L	Cl'se
8½	6¾	.	...	Union Gas	715	7¾	7¾	7½	7½
19	18¾	†.50	...	Un. Amuse. A.	2	18¾	19	19	19
18	12	†.22	...	United Corp. B	225	17½	17½	17½	17½
38	32½	3	8	United Fuel, pf	260	37½	38	37	37½
17	14½	1	5.9	United Grain A	2	17	17	17	17
5½	3¾	.10+.05	..	United Steel	730	4¾	4¾	4½	4¾
58¾	50	4	7	Wabasso Cot.	117	56½	58	57	57½
63	57½	4	7	Walker-Good.	495	61½	61½	60¾	61

Oil Stocks

Range 1944 High	Low	Div. Rate %	Yield July 29	Company	Sales	Last July 24	High	Low	Close
.07	.05	....	....	Mercury	1,000	.06¾	.06¾	.06¾	.06¾
.59	.19¾	....	....	Mid. Cont.	96,800	.35	.40	.33	.39
.25	.19	....	....	Model	1,500	.19	.20	.20	.20
.10	.08	....	....	Nat. Pet.	500	.08½	.09½	.09½	.09½
.11½	.04	....	....	Nordon	675	.08½	.07½	.07	.07½
.70	.40	....	....	Okalta	4,000	.48	.50	.45	.46
.04¾	.02	....	....	Pacalta	3,000	.03	.03½	.03	.03
1.07	.68	....	....	Pacific Oil	9,200	.75	.75	.60	.60
.56	.40	....	....	Pac. Pete.	2,500	.52	.50	.50	.50
22.00	19.00	1.00	5	Royalite	749	20.00	19.75	19.00	19.00
.05	.03	....	....	South End	3,000	.03	.03½	.03	.03
.28	.20	....	....	So. West Pete	1,000	.15	.20	.20	.20
.07½	.06½	*.01	....	Sunset	500	.07	.06½	.06½	.06½
.07	.04½	....	....	United Oils	2,940	.05	.05½	.04¾	.04¾
.07½	.05½	....	....	Vanalta	1,500	.06	.07	.07	.07
.19	.08	....	....	Vermilata	10,500	.08	.08½	.08	.08

* Yield including bonus to date. † Paid in 1943. ▼ Paid or payable in 1944

Volume of Stock Sales

	Montreal	Toronto	Vancouver
	—Total Volume—		
Aug. 1	51,100	571,000	......
July 31	48,500	489,900	......
July 29	......	......	32,245
July 28	46,300	569,000	26,920
July 27	48,100	708,000	65,515
July 26	76,100	582,000	17,400

STOCKS NOT TRADED THIS WEEK

Government Bonds

Aug. 1, 1944 (Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask.
2	Mar. 1945	100½	101½
2	Dec. 1946	100 3/5	101½
4½	Feb. 1946	104½	105½
2½	Mar. 1948	101	101¾
1¾	May 1946	100½	101
3½	June 1949	102¾	103½
3½	Oct. 1949	100½	101½
1st Victory Loan:			
3	June 1951	103¾	104¾
3½	Nov. 1951	104½	104¾
4	Oct. 1952	106½	107
3½	Feb. 1952	104¾	105½
3	Oct. 1952	102¾	103½
2nd Victory Loan:			
3	Mar. 1954	102½	103¾
3	June 1955	101	101¾
3rd Victory Loan:			
3	Nov. 1956	101½	101¾
4½	Nov. 1956	105½	106½
4½	Nov. 1957	107½	108½
4th Victory Loan:			
3	May 1954-57	100½	100¾
3	June 1958	99¾	100¾
4½	Nov. 1958	108 4/5	109½
4½	Nov. 1959	109¾	110¾
5th Victory Loan:			
3	Jan. 1959	99¾	100½
6th Victory Loan:			
3	June 1960	99¾	100
3½	June 1966	102	103
3	Perpetual	96½	97½
Dom. Guarant'd Bonds			
Can. Natl. Railways:			
3	Dec. 1950	101 3/5	102½
3	Jan. 1959	99½	100½
4½	Sept. 1951	123½	...
4½	Feb. 1956	126½	...
4½	July 1957	127½	...
3	Feb. 1953	101¾	102¾
4½	June 1955	128	...
5	Feb. 1954	117	118½
5	Oct. 1969	128	...
5	Feb. 1970	128	...
Can. Nat. W. Ind. S.S.			
5	Mar. 1955	128¾	...
Grand Trunk Pacific Rly.:			
3	Jan. 1962	110	112
Provincial Govt. Bonds			
New Brunswick:			
4	Nov. 1947	111	113
3	Oct. 1951	98½	100½
3½	Aug. 1949	99½	101½
3½	June 1956	100¾	102¾
4½	Apr. 1961	120	122
5	Jan. 1960	124	126
Nova Scotia:			
3	Jan. 1952	99½	101½
3½	June 1956	100¾	102¾
3½	Nov. 1950	103½	105½
4½	Sept. 1952	115½	117½
4½	Nov. 1960	124	126
5	Mar. 1960	130½	132½
Ontario:			
2½	May 1945	100½	101¾
3	Apr. 1948	101½	103
3	Nov. 1950	101½	103
3½	Nov. 1951	102½	104½
3½	May 1955	102½	103¾
4	June 1962	122	124
4½	June 1950	109¾	111½
4½	Jan. 1962	128	131
5	Oct. 1948	110	111½
5	Dec. 1960	135	137
5½	July 1946	106	107½
Ont. Hydro Commission:			
3	Aug. 1948	101½	102¾
3½	Feb. 1953	101¾	103½
3½	Apr. 1947	103½	105
Prince Edward Island:			
4	Mar. 1954	101½	103½
Quebec:			
3	Nov. 1947	100½	101¾
3½	Mar. 1948	101	102½
3½	Mar. 1959	101½	103
4	Nov. 1952	104	106
3¾	Feb. 1955	103	104¾
4½	Aug. 1958	109	111
4½	Jan. 1963	114	116
Alberta:			
4½	Oct. 1956	91	93½
4	Dec. 1954	86½	89½
5	Oct. 1959	92	94½
5½	Apr. 1952	92½	95½
6	Mar. 1947	87½	90½
British Columbia:			
4	Dec. 1957	116½	118¾
4½	Jan. 1961	117¾	120¾
4½	Oct. 1953	119¾	122½
5	Apr. 1954	123½	125¾
5½	Feb. 1945	100½	102½
6	Feb. 1947	106½	108½
Manitoba:			
4	Dec. 1957	110¾	113½
4½	Dec. 1956	114	116½
5	Dec. 1959	121¾	124½
5½	Oct. 1965	114¾	118
6	Apr. 1947	105¾	108½
Saskatchewan:			
4	Sept. 1954	86	89
4	Nov. 1960	85½	88½
4½	Oct. 1951	100	...
4½	Mar. 1960	94	97
5	Aug. 1958	92	95
5½	Oct. 1952	94	97
6	Mar. 1952	94	97

*Payable N.Y.

Unlisted Stocks

Aug. 1, 1944 (Furnished by A. J. Pattison Jr. & Co., Toronto)

	Bid	Ask.
Anglo-C. Tel., A	8¾	9½
Do., 5½% pf.	51	..
Atlas Steels, c.	30	33
Do., pref.	107	110½
B. C. Sugar	81	..
B. C. Tel., p.	112½	..
Burns & Co., A	14	15
Stand Fuel, pfd.	85	..
Do., com.	1½	..
Seiberling R., c.	3½	..
Stedman, pf. $50	57	..
Sutton H.	½	1½
Tor. Carpet, p.	70	..
Un. Hotels, rts.	3	5½
Canadian Fire	78½	85
Canada Life	395	415
Confed. 30% pd.	132	138½
Continental L.	30½	33
Crown Life	260	..
D. of C. Gen.	132	..
Dom. Life	170	..

Unlisted Mines

Toronto, August 1, 1944

Oil Royalties

Producing Wells — Prices and Payments

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada) August 1, 1944

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$11.62	$11.62	$12.39
Hogs	17.40	17.40	16.82
Copper, lb.	*.12	.12	.12
Sugar, raw, lb.	*.0374	.0374	.0374
Coffee, lb.	*.09⅜	.09⅜	.09⅜
Hides	*.15½	.15½	.15½
Weekly Indices			
U. S. Labor	103.9	103.9	102.9
Dow Jones (fut.)	95.31	96.53	84.41
Fishers	112.9	113.1	110.6
Monthly Indices			
Canada (D.B.S.):			
Retail (June)	119.0	119.2	118.5
W'sale (June)	102.1	101.8	94.4
U. S. (April)	103.9	103.8	103.7
Gr. Brit. (April)	165.5	164.9	162.8

Note—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price, Toronto. Copper - electrolytic. New York. No. 7 coffee, Rio. Sugar 96 degrees centrifugal c/f New York.

*Ceiling prices fixed by the office of Price Administration.

Bond Redemptions

Bond Issues—	Rate	Year	Due	Price
York Knit	4%	1945	Aug. 1	101
Do.	4½%	1952	Aug. 1	102
Paton Mfg.	‡4½%	1956	Sept. 1	103
Dom. Tar & C.	3½%	1944	Aug. 1	101
Do.	4½%	1951	Aug. 1	102
Un. Amuse. A.	†5%	1956	Aug. 1	103
Gt. Lakes Pwr.	▲5%	1957	Aug. 5	104
Simpson A.	3½%	1944	Aug. 15	101
Do.	4¼%	1951	Aug. 15	102
Candn. Oil	4%	1955	Aug. 15	101
Int. Paper	■6%	1955	Sept. 1	105
Paton Mfg.	*4½%	1956	Sept. 1	103
Silverwoods D.	4½%	1956	Sept. 30	103

‡$8,500. †44,300. ▲$50,000. ■$482,500. *$8,500.

Municipal Bonds

August 1, 1944

	%	Due	Bid	Ask.	Yld. %
†Halifax	5	1961	118.00	121.00	3.36
Hamilton	5	1950	109.625	111.625	2.85
Montreal	5	1945	99.00	102.00	*
Ottawa	4½	1945	102.00	104.00	2.00
†Quebec	5	1959	118.00	121.00	3.22
Saint John	5	1950	106.25	109.25	3.50
†Toronto	4½	1955	124.50	127.50	1.65
†Vancouver	5	1970	120.00	123.00	3.61
Winnipeg	6	1950	112.00	115.00	3.22

†Payable Can. & N. Y. *Flat.

Corporation Bonds Cont'd

M. & O. Paper	5	'60	112	114	112
Moirs Ltd.	6	'53	99½	102½	99½
‡Mtrl. Drydocks	6	'48	97½	100	97

Significant Investors' Index Numbers

Toronto Stock Exchange Index	20 Indust.	20 Golds	10 B.M.	15 W.O.
Aug. 1	126.55	112.42	74.77	28.02
July 31	126.21	111.76	74.76	28.33
July 29	.....	.....	....	....
July 28	126.51	111.17	74.81	28.47
July 27	126.45	111.21	74.78	28.58
July 26	126.99	111.53	74.96	28.66
Month ago	126.61	109.21	73.85	29.53
Year ago	122.76	99.38	74.95	26.49
High 1944	128.34	100.99	77.15	29.61
Low 1944	116.63	71.02	67.37	26.39

Montreal Stock Exchange Average	10 Util.	20 Ind.	30 Chd.	10 Pprs.	15 Golds
Aug. 1	53.7	86.3	75.4	164.90	83.67
July 31	53.4	86.0	75.2	161.95	83.84
July 29	...	...	...	.....	....
July 28	54.1	85.8	75.3	162.92	83.46
July 27	53.9	86.2	75.5	163.24	82.87
July 26	54.3	86.0	75.4	164.45	83.18
Month ago	54.0	86.4	76.0	164.87	86.09
Year ago	62.5	79.5	73.8	113.58	70.34
High 1944	55.9	89.0	77.7	169.89	88.35
Low 1944	51.9	73.8	67.5	116.68	72.95

Annual Meetings

1944	Company	Place
Aug. 4	McVittie-Graham	Montreal
Sept. 20	Loblaw Groc.	Toronto
Sept. 28	Canada Perm. Mtge.	Toronto
Sept. 28	Landed Bank & L. Co.	Hamilton

Investment Trusts

	Bid	Asked
Affiliated Funds	3.86	4.22
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	3.90	4.25
Can. Investors	5.50	6.25
Corporate Inv.	6.80	7.30
Trans-Canada	11.30	12.30

Dividends Declared

	This payment $	Date payable	Date of record
Agnew Surpass	.50	Sept. 1	July 31
Do., pref.	1¾%	Oct. 2	Aug. 31
Assoc. Brew., c.	.25	Sept. 30	Aug. 31
Aluminium	2	Aug. 11	Sept. 5
Do., pref.	†1.50	Sept. 1	Aug. 4
Anglo-Candn. Tel. A	.15	Sept. 1	Aug. 10
Atlas Steels, pf.	1.75	Aug. 15	Aug. 1
Aunor Gold	.05	Sept. 1	Aug. 4
Bank of Montreal	1.50	Sept. 1	July 31
Bertram, John	.20	Aug. 15	July 31
Bank of Toronto	2½%	Sept. 1	Aug. 15
Bathurst Power	.25	Sept. 1	July 28
Belding-Corticelli c.	...	Oct. 22	Aug. 31
Do., 7%	1.75	Oct. 2	Aug. 31
Borden Co., c.	†.40	Sept. 1	Aug. 15
Bruck S. Mills, c.	.10	Sept. 15	Aug. 15
Can. & Dom. Sug., c.	.20	Sept. 1	Aug. 15
Can. Fd. & Fg. A	.37½	Sept. 15	Sept. 1
Can. N. Power	.15	Oct. 25	Sept. 20
Do., pref.	1.75	Oct. 16	Sept. 20
Confederation Life	1.50	Sept. 30	Sept. 25
Do.	1.50	Dec. 30	Dec. 25
Can. Converters	.75	July 31	June 20
Canada Starch, pf.	3½%	Aug. 15	Aug. 8
Canada Malting	.50	Sept. 15	Aug. 15
Candn. Bakeries, pf.	1.25	Sept. 1	July 31
Candn. Brew.	.85	Oct. 2	Aug. 15
Candn. Food	.62½	Oct. 2	Aug. 31
Candn. For. Inv., c.	.50	Oct. 1	Sept. 1
Candn. Int. Inv. Tr.	▴.75	Sept. 1	Aug. 1
Candn. Oil	.25	Aug. 15	Aug. 1
Do., pref.	2	Oct. 2	Sept. 20
Chart. Tr. & Ex., c.	1.50	Oct. 1	Sept. 15
Cockshutt Plow	.25	Dec. 1	Nov. 2
Commoil	.00½	Aug. 25	Aug. 4
Conduits National	.15	Aug. 8	July 25
Cons. Press, A	.15	Oct. 2	Sept. 15
Consumers Glass	.50	Aug. 31	July 28
Corr. Paper Box, pf.	1.75	Sept. 1	Aug. 1
Cosmos Imperial	.30	Aug. 15	July 31
Crown Cork	.50	Aug. 15	July 17
Dom. Anglo. Inv.	1.25	Sept. 1	Aug. 15
Dominion Bridge	.30	Aug. 25	July 31
Dom.-Scottish Inv.	.50	Sept. 1	Aug. 1
Dom. Envelope, c.	.10	Dec. 1	Nov. 30
Donnacona, c.	.25	Sept. 1	July 15
Federal Fire	1.50	Aug. 15	Aug. 11
Ford Motor	.25	Sept. 16	Aug. 26
General Steel, c.	.25	Sept. 16	Aug. 26
Hallnor Mines	.05	Sept. 1	Aug. 4
Hudson's Bay	5%+5%	Aug. 16	July 25
Hamilton Cot.	.22½	Sept. 1	Aug. 10
Hiram Walker	1.00	Sept. 15	Aug. 11
Do., pref.	.25	Sept. 15	Aug. 11
Imp. Tob.	.10	Sept. 30	Aug. 15
Do., pf.	3%	Sept. 30	Aug. 15
Imp. Varnish	.12½	Sept. 1	Aug. 21
Do., pf.	.37½	Sept. 1	Aug. 21
Invest. Found., pfd.	.75	Oct. 15	Sept. 15
Internl. Holdings	.50	Aug. 16	July 14
Kerr-Addison	.05	Aug. 29	Aug. 1
Lake of Woods M.	.30	Sept. 1	Aug. 3
Do., pf.	1.75	Sept. 1	Aug. 3
Lamaque Gold	.07	Oct. 2	Aug. 31
Louisana Land	†.10	Sept. 15	Sept. 1
Laura Secord	.20	Sept. 1	Aug. 1
Leitch Gold	.02	Aug. 15	July 31
Loblaw Groc.	.25	Sept. 1	Aug. 1
Mont. Cottons	1	Sept. 15	Aug. 15
Do., pref.	1.75	Sept. 15	Aug. 15
McIntyre Porc.	.55½	Sept. 1	Aug. 1
Neon Prod.	.25	Aug. 17	Aug. 3
Niagara W. W. c.	.25	Oct. 2	Sept. 7
Noranda	1	Sept. 15	Aug. 15
Ogilvie Flour	.25	Oct. 2	Aug. 25
Do., pref.	1.75	Sept. 1	July 26
Ont. Silknit, pf.	1	Aug. 15	Aug. 1
Ont. Steel Prod.	.25	Aug. 15	July 15
Do., pref.	1.75	Aug. 15	July 15
Ottawa Car	.20	Oct. 16	Sept. 15
Ottawa L. H. & P.	.15	Oct. 2	Aug. 4
Do., pref.	1.25	Oct. 2	Aug. 4
Paton Mfg.	1.00	Sept. 15	Aug. 31
Do., pf.	1.75	Sept. 15	Aug. 31
Perron Gold	.02	Sept. 30	Aug. 31
Penmans	.75	Aug. 15	July 14
Photo Eng.	.50	Sept. 1	Aug. 15
Power Corp., pf.	1.50■	Oct. 16	Sept. 20
Do., 2 part pf.	.75■	Oct. 16	Sept. 20
Proprietary M., c.	.05	Sept. 8	Aug. 8
Prov. Trans., c.	†.20	Aug. 15	Aug. 4
Quebec Power	.25	Aug. 25	July 21
Quinte Milk, c.	.10+.05	Aug. 1	July 20
Regent Knit pf.	.40	Sept. 1	Aug. 1
Do., pref.	.40	Dec. 1	Nov. 2
Reliance Grain, p	1.62½	Sept. 15	Aug. 31
Do.,	▴4.87½	Sept. 15	
Rem. Rand, c.	†.30	Oct. 1	Sept. 12
Do., pf.	†1.12½	Oct. 1	Sept. 12
Rolland Paper	.15	Aug. 15	Aug. 5
Do., pref.	1.50	Sept. 1	Aug. 15
Royal Bank	1.50	Sept. 1	July 31
Silverwoods	.20	Oct. 2	Aug. 31
Do., pref.	.20	Oct. 2	Aug. 31
N. Slater, c.	.50	Aug. 31	July 31
Standard Chem.	.50	Aug. 31	July 31
Shawinigan W.	.23	Aug. 25	July 21
D. A. Stuart Oil	.45	Sept. 1	Aug. 15
South. Can. Pwr.	.20	Aug. 15	July 20
Do., pf.	1.50	Oct. 16	Sept. 20
Teck-Hughes, c.	.05	Oct. 2	Aug. 31
Toburn Gold	.01	Aug. 22	July 21
United Grain, A.	1	Sept. 1	July 31
United Corp. A.	.38	Aug. 15	July 15
United Fuel Inv. pf.	.75	Oct. 2	Sept. 9
United Grain, B	.25	Sept. 1	July 31
Waite Amulet	.20	Sept. 1	Aug. 10
Wood Mfg.	.50	Sept. 30	Aug. 31
Wellington Fire	1.75	Aug. 15	Aug. 11
Winnipeg Elect., p.	■2.50	Dec. 30	Nov. 15
York Knit	.20	Aug. 15	July 31
Do., 1st pf.	3.50	Aug. 15	July 31
Do., 2nd pf.	3.50	Aug. 15	July 31

■Subject to approval of Foreign Exchange Control Board.
†N. Y. funds. ▴Arrears.
*Net after corporate income tax.

DIVIDEND NOTICES

DIVIDEND NOTICE

HIRAM WALKER-GOODERHAM & WORTS LIMITED

DIVIDEND NO. 102

A quarterly dividend of 25c a share has been declared on the outstanding no par value Cumulative Dividend Redeemable Preference Stock of this Company, payable Friday, September 15, 1944 to shareholders of record at the close of business on Friday, August 11.

DIVIDEND NO. 103

A dividend of $1.00 a share has been declared on the outstanding no par value Common Stock of this Company, payable Friday, September 15, 1944 to shareholders of record at the close of business on Friday, August 11.

By Order of the Board,
FLETCHER RUARK, Secretary.
Walkerville, Canada
July 15, 1944.

Lake of the Woods Milling Company Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN THAT a dividend of 1¾% has been declared on the Preferred shares of the Company, payable on September 1st, 1944 to shareholders of record at the close of business on August 3rd, 1944.

By Order of the Board,
D. A. MacINNES, Secretary.

NOTICE IS HEREBY GIVEN THAT the regular quarterly dividend of 30 cents per share has been declared on the outstanding shares of the Common Stock of the Company, payable on September 1st, 1944, to shareholders of record at the close of business on August 3rd, 1944

By Order of the Board,
D. A. MacINNES, Secretary.

Proprietary Mines Limited

DIVIDEND NO. 18

NOTICE is hereby given that a Dividend of Five cents per share has been declared on the issued capital stock of the Company, payable in Canadian Funds on September 8th, 1944, to shareholders of record at the close of business on August 8th, 1944.

By Order of the Board.
J. INGRAM, Secretary-Treasurer.
Toronto, Ont., July 25th, 1944.

Borden's

DIVIDEND No. 138

An interim dividend of forty cents (40¢) per share has been declared on the capital stock of *The Borden Company*, payable September 1, 1944, to stockholders of record at the close of business August 15, 1944.

E. L. NOETZEL, Treasurer
July 25, 1944

WANTED
Western Grain Preferred
A. J. Pattison, Jr. & Co.
Royal Bank Bldg., Toronto
EL. 5101

Debt Free Cities Not Far Off

Credit Standing of Ontario Municipalities Never So High

By GORDON M. GRANT

A college professor a few years ago, describing evolution of the capitalistic system, was prone to refer to the "emergence of a permanent national debt."

The way war expenditures have been swelling the Dominion and other countries' debts, many people might be willing to concede that a national debt is "permanent." But in Ontario municipalities the record of debt retirement since 1929 is such that there appears to be some hope that governments at the municipal level at least might sometime make themselves debt free—if this should be considered desirable.

During the decade 1930-40 Ontario municipalities, including school districts, were able to reduce net debenture indebtedness by no less than $113.9 millions to $311.4 millions. Since 1940, the improvement has been even more marked with tax arrears rapidly becoming something of the past.

50% Debt Reduction

In an accompanying table, comparative figures show debt at the end of 1929, 1935 and 1943, the last figures being taken from a publication of the Citizens' Research Institute, to appear shortly. The figures are indeed surprising: They show reduction in funded debt of the individual municipalities by 50% or even 75% in numerous instances.

Many people no doubt look back to the drab days of the depression when large sums of money had to be paid out by municipalities in relief; no doubt many think that municipal debts still reflect the situation then, that municipal debts are still "high."

But cold statistics contradict this; suggest that there is a good reason why municipalities have been able, in many cases, to borrow on interest basis almost comparable with that of the Dominion Government.

The experience of Toronto, Hamilton and a few other important Ontario cities, illustrate how things have gone.

Cities Cut Debt

Toronto, at the end of 1929, had a net general debt of $66.6 millions. Through relief payments, arrears on tax collection, etc., debt was swelled to $84.8 millions by the end of 1935, the end of the depression. In the following eight years, however, debt was more than halved—amounted to only $41.2 millions at the end of 1943. Hamilton's story shows a marked similarity: First the debt leaped up from $13.5 millions to $21.9 millions between 1929 and the end of 1935; then in the following eight years debt was brought down to $11.5 millions.

Experience of big industrial cities, however, was not altogether paralleled by smaller communities dependent more on an agrarian type of economy, although they too showed marked improvement. It may come as a surprise that many smaller municipalities—possibly a majority—were able to reduce their debt even during the trying days of the depression.

For instance, Galt, Ontario, reduced its debt from $2 millions at the end of 1929 to $1.4 millions at the end of 1935—and to only $546,697 at the end of 1943. London, Ontario, reduced its debt from $8.3 millions at the end of 1929 to $6.5 millions at the end of 1935 and to only $1.9 millions for the end of 1943.

Good Progress Made

Municipalities formerly in default surrounding Toronto have made great progress in reducing indebtedness. And interest payable on remaining indebtedness has been reduced substantially.

A considerable number of these municipalities incurred substantial debt for installing sewers, sidewalks, and other facilities in connection with expansion of their population. When the depression came they were hit hard—not because they had been particularly extravagant but because many of the people who had built homes in these municipalities were relatively youthful couples who had not the resources to keep up both interest and tax payments on new homes when unemployment became fairly general in industrial areas.

But with a higher level of industrial activity since and substantial sums of money placed in the hands of these groups since commencement of the war, these municipalities, it appears, are now on probably the most stable basis in their careers.

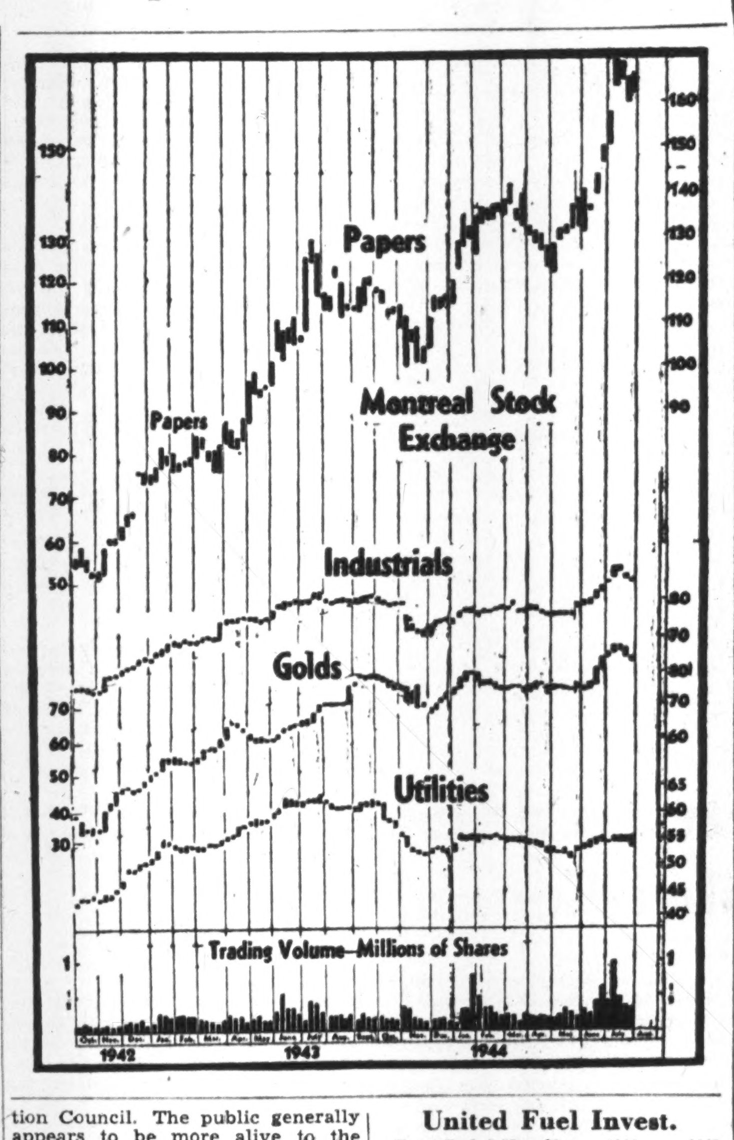
While the war lasts and strict control over further construction projects remains, it seems likely that Ontario municipalities will be able to reduce indebtedness still farther, that many may be able to "burn their mortgages." With many investors seeking a place for investment of their funds and the volume of municipal securities available for purchase by investors becoming still smaller, it is conceivable that the interest yields available on Ontario municipal issues will become still lower.

Postwar Position

What of the position of municipal indebtedness after the war?

It now appears a reasonable probability that the substantial backlog of demand for civilian goods, the work involved in UNRRA, and deferred construction and housing projects expected to be implemented after the war, will likely mean a high level of activity for a period of some years after the war. If this proves the case, the position of the average municipality may be further improved. If a fringe of unemployment should appear at some juncture which is not immediately taken care of by Dominion or provincial programs, etc., the municipalities are undoubtedly in a better position to meet these new exigencies although it is not desired that they shall have to do so.

In some quarters, efforts are being made to secure revision of present municipal setups; to remove from real estate the burden of social services and to provide further sources of revenue to allow the municipality greater leeway in planning a long-term program. This is an angle which is being explored by the Toronto Reconstruction Council. The public generally appears to be more alive to the problems of the municipality today than in many years and this would seem to augur well for Ontario municipalities in the days ahead.



	Net Total Debt 1943 $	Net Total Debt 1935 $	Net Total Debt 1929 $	Realty Assessments 1943 $	Realty Assessments 1929 $
Belleville	1,072,796	1,885,494	2,156,563	11,049,515	9,847,504
Brantford	1,492,309	3,333,942	2,617,119	27,766,825	28,498,425
Chatham	331,935	500,954	680,933	15,174,219	13,984,375
Cornwall	625,718	643,843	580,427	11,100,945	9,014,685
Forest Hill	1,982,974	......	......	....	....
Fort William	1,969,289	3,145,144	2,504,128	22,794,551	31,443,875
Galt	546,697	1,424,276	2,000,410	11,939,725	11,165,280
Guelph	369,309	1,610,715	1,637,592	14,551,375	13,772,393
Hamilton	11,542,258	21,900,886	13,480,797	174,451,260	158,623,172
Kingston	672,098	1,920,889	1,564,802	21,151,960	18,155,344
Kitchener	1,792,563	3,580,361	3,584,407	29,616,812	23,858,233
London	1,948,059	6,489,478	8,282,004	86,407,872	85,076,650
Niagara Falls	982,609	2,428,414	2,741,242	18,734,272	18,665,327
North Bay	937,606	2,341,031	2,188,541	9,777,707	8,590,312
Oshawa	709,886	2,783,138	3,149,113	28,292,140	15,435,895
Ottawa	8,986,895	15,990,055	14,031,343	162,832,395	154,324,513
Owen Sound	221,904	738,933	925,673	8,755,900	8,723,181
Peterborough	709,596	1,664,450	2,195,896	25,740,716	23,477,345
Port Arthur	1,064,185	1,520,410	2,367,744	28,493,029	23,864,170
St. Catharines	558,812	1,531,801	2,398,143	29,330,774	23,016,900
St. Thomas	330,433	999,115	1,619,924	15,572,314	16,802,076
Sarnia	382,996	950,599	753,075	17,969,639	18,543,324
Sault Ste. Marie	541,784	1,582,867	2,098,229	21,663,542	22,556,091
Stratford	600,802	1,322,107	1,963,394	13,712,925	15,096,505
Sudbury	1,663,340	3,211,864	1,251,797	19,584,501	7,099,523
Timmins	976,692	930,378	1,109,399	12,030,653	6,975,405
Toronto	41,864,658	84,794,310	66,645,412	956,257,486	967,371,437
Welland	499,564	1,169,334	1,270,833	10,675,280	9,553,324
Windsor	*	12,780,337	9,938,791	99,431,784	79,454,400
Woodstock	430,574	633,060	718,052	7,828,354	7,155,209

*Debt consolidated.

DIVIDEND NOTICES

Banque Canadienne Nationale

QUARTERLY DIVIDEND

NOTICE is hereby given that a dividend of one and a half per cent (1½) has been declared by the Directors of Banque Canadienne Nationale on the paid-up capital stock of the Bank for the quarter ending on the 31st day of August, 1944. This dividend, bearing the number 214, will be payable at the Main office or at the branches of the Bank, on or after the 1st day of September, 1944, to the shareholders of record on August 15, at 3 p.m.

By Order of the Board,
CHARLES ST-PIERRE, General Manager.

Imperial Tobacco Company of Canada, Limited

DIVIDEND

NOTICE IS HEREBY GIVEN THAT

An Interim Dividend (No. 159) of Ten Cents (10c) per share on the paid-up Ordinary Shares of the Company has been declared payable on Saturday, the 30th day of September, 1944, to shareholders of record at the close of business on Tuesday, the 15th day of August, 1944.

A Semi-Annual Dividend (No. 65) of Three per cent (3%) on the paid-up Preference Shares of the Company has been declared payable on Saturday, the 30th day of September, 1944, to shareholders of record at the close of business on Tuesday, the 15th day of August, 1944.

BY ORDER OF THE BOARD.
A. L. ROBERTSON, Secretary.
MONTREAL, P.Q., 28th July, 1944.

RELIANCE GRAIN COMPANY LIMITED

6½% CUMULATIVE PREFERRED STOCK

A DIVIDEND of one and five-eighths per cent (1⅝%) per share, being the dividend for the quarter ending August 31, 1944, is hereby declared and authorised to be paid on September 15, 1944, to all preference shareholders of record with the transfer agents of the Company at the close of business on August 31, 1944.

By order of the Board,
A. W. GIBB, Secretary.
Winnipeg, July 12, 1944.

B.C. Shipyards Curtail Close One Berth in Four

Larger Yards Currently Most Affected — Builders Still Lack Authority to Seek Non-war Replacement Orders

From Our Own Correspondent

VANCOUVER. — British Columbia's principal wartime industry—steel shipbuilding—made its first move towards conversion to peacetime requirements last week when all the four-berth yards—there are three of them in Vancouver—were ordered to operate on a three-berth basis.

This will give the shipbuilders some leeway in making plans for peacetime construction, according to Austin C. Taylor, vice-president of Wartime Shipbuilding, Ltd., and director of steel ship construction for the Canadian Government on the Pacific coast.

It is understood that several British Columbia yards have negotiations well advanced for the authority to accept private orders.

Production Slips Rapidly

The new curtailment of wartime construction represents a 25% decline in production in west coast yards, and this will have a direct repercussion on the speed with which cargo ships, tankers and maintenance vessels are turned out. Evidently speed in construction is no longer the prime necessity that it used to be, and this is easily understood in view of the tremendous strides in steel shipbuilding both in Canada and the United States and the drastic reduction in sinkings of merchant ships.

In Vancouver alone, the steel shipyards employed more than 24,000 men and women last year. During the present summer only a few more than 17,000 are working in the yards, and the "fourth berth" elimination will result in a further employment cut to around 12,000, or about 50% of what it used to be at the peak.

All these men will not be laid off at once. It is possible that some of them will merely be shifted to the three operating ways so as to expedite operations there, and others will be given work as soon as the fourth ways are occupied with peacetime construction for private interests, which may be sooner than most people expect.

The unskilled men are being dropped first, and some of them will be automatically transferred to other industries that need manpower. Others probably will be subject to military callup.

Can't Seek Orders Yet

There is likely to be a lull between the cessation of war building on the fourth ways and work resumption for the peacetime market inasmuch as the Federal Government has not yet given the builders the necessary authority to seek private orders. This authority, however, should not be long delayed.

Although there has been some talk of the governments in exile placing contracts with British Columbia yards, which incidentally built 70% of Canada's wartime steel cargo fleet, it is considered more likely that the first private orders to be accepted will be from one or another of the various coastwise steamship companies such as Canadian Pacific, Canadian National or Union Steamships. All three companies have floating equipment requiring replacement. Some of the finest CP and CN ships have been requisitioned by the Government and they may not soon be returned, if ever. In other instances, the companies are depending on vessels more than 30 years old which under ordinary circumstances would have been laid up or disposed of long ago.

One of the major jobs of the steel shipyards at present is the construction of a fleet of 21 maintenance ships—"floating repair shops"—at a cost of some $30 millions. Most of this work is being taken care of by Vancouver yards. On Vancouver Island most of the construction is for naval purposes or tankers.

Man Shortage Still Acute

There is still an acute shortage of manpower for industry in British Columbia, but the situation has not yet reached the critical stage forecast some time ago by NSS officials here who predicted the most serious manpower crisis in the country's history. The regional office of this service now has orders on hand for 13,200 men; last year orders totalled 22,000.

Industries most seriously in need of additional men in British Columbia today are base metal mining, gold mining and the forest industries. The general impression after a survey of the farm situation is that no crops will be lost in the province this summer through lack of harvesters.

United Fuel Invest.

Years Ended Mar. 31:	1944	1943
Earned per share:		
A pref. excl. ref.	$3.68	$3.42
A pref. incl. ref.	4.09	3.44
B pref & com. excl. ref.	0.36	0.23
B pref. & com. incl. ref.*	0.59	0.24
Paid:		
A preferred	6.00	6.00
Working capital	$1,055,400	$1,710,042

(Previous year figures bracketed below.)

Larger gross profit on coke sold for industrial purposes, a net reduction in production and general expenses, and decreased amortization of plants for war requirements led to an increase in net profit of United fuel investments for the year ended March 31, 1944. After total taxes of $507,500 ($300,000) of which $37,500 ($2,000) was refundable, net profit amounted to $331,278 ($308,105). There was a moderate reduction of revenue on gas sales, president D. P. Rogers reported.

During the year the plant being erected by the Dominion Government to produce gas and coke on the property adjacent to the company's coke oven plant was substantially completed and further units came into production.

During the current fiscal year the operations of the coke company will be adversely affected by further increases in the laid-down cost of coal, the president stated.

In addition to normal reductions in funded debt in the fiscal year ended March 31, 1944, $450,000 of United Gas & Fuel Co. 5% second mortgage bonds, and $207,000 of the company's 6½% general mortgage bonds were purchased at par and cancelled. The balance of the latter issue, $243,000, has been called for redemption on July 1, 1944.

New Vice-Presidents Named By Brown Co.

From Our Own Correspondent

MONTREAL.—Brown Co., Berlin, N.H., producers of pulp, paper, and allied products, and Brown Corp., La Tuque, P.Q., its Canadian pulp-producing subsidiary, announce the election of three additional vice-presidents.

Herman G. Schanche, general manager of wood operations since joining the company in March, 1943, has been elected vice-president in charge of Woods Operations for both Brown Co. and Brown Corp. Mr. Schanche formerly was with Abitibi Power & Paper Co., Ltd.

Downing P. Brown has been elected vice-president of Brown Co., and will be located in New York City. Previously he was assistant to the vice-president in charge of sales. A new vice-president of Brown Corp. is Wentworth Brown, who will continue to serve as production manager of both Brown Co. and Brown Corp.

The Bell Telephone Company of Canada has advised the Toronto Stock Exchange that an additional 342 shares have been issued under terms of the employees' stock plan. These form part of the issue covered by resolution of directors dated April 26, 1944. Issued capital is 856,010 shares.

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MARKET COMMENT

No New Highs For Averages

Toronto stock averages stayed close to previous week's levels in the week ended July 31. Industrials closed at 125.21, slightly lower than the close for July 24. Golds ended at their week's high of 111.76, .70 higher than the close for the previous week. Base metals were slightly higher at the close than their previous Monday's level of 74.54. Oils closed at their low for the week of 28.33, down .25 from the close at July 24. Volume for the week showed a further decline, dropping to 2,786,000 shares from 3,030,000.

In Montreal, papers showed strength during the week, but closed only 1.17 points higher than the previous week's close of 160.78. Utilities dropped 1.3 points to close at the week's low of 53.4.

The fact that none of the indexes made new highs is interpreted in some quarters as the start of a new "line formation."

* * *

Barron's (New York), The Trader: Stocks rallied moderately last week, following the sharpest decline since the period immediately after Pearl Harbor, in the week before. The recovery was hesitant rather than decisive. . . Only one sesion, Monday, turned in a million shares, thereby interrupting a series of 30 successive million share days for five-hour periods . . . Most significant development was the desultory action of the market itself. Volume of trading is now lower than prevailed just prior to and after "D-Day" June 6. Considering the consistant and at times dramatically favorable war developments, the fears of what confronts industry after the war should logically have greatly intensified selling pressure, provided that a genuine liquidation was in the making. As it is, one week of selling and a decline of nearly five points for the industrials seems to have cleared the air.

* * *

Barron's (New York): The Dow Theorist: Recession in the Dow-Jones industrial and railroad averages late last week following a rebound from the preceding week's decline, raises the question whether the July 22 lows of 145.58 and 40.93 will be broken. If that should occur, a secondary downtrend would be suggested. Such a downtrend, under the Dow theory, is regarded as one lasting from three weeks to three months or more, and retracing one third or more of the preceding advance. Measuring the latter from the lows of last November, a one-third retracement would take the industrials to about 143.50 and the rails to about 38.85.

* * *

New Highs and Lows

The easier but firm trend of Canadian stock markets continued in the week ended July 31, but despite this, 16 "general" stocks registered new 1944 highs with only 1 new low reported for the period.

Eight mining issues managed to record new highs in a generally lower market, with no new lows. Oil stocks remained steady.

GENERAL

New Highs—1944

Abitibi common	Imp. Varnish, c.
Abitibi pref.	Ottawa Elec. Ry.
Beaver Lumber p.	Mercury Mills
Canada Starch, p.	Paton Mfg., c.
Crescent Cmy. p.	Reliance Grain, p.
Dom. Fabrics, c.	Simpson (B)
Equitable Life	Supertest P. ord.
Hayes Steel	Western. Groc., c.

New Lows—1944

Bank of Mont.

MINING

New Highs—1944

Aubelle	Perron Gold
Bralorne	Prospectors Air
Goodfish Min.	Sand River
Hedley Mascot	Taylor Bridge

Canada Dry Ginger Ale reports net profit for the nine months ended June 30, 1944 of $1,003,709, or $1.63 per share. Comparable figures for last year were $1,145,007 and $1.04 per share. Net income of the wholly owned Canadian subsidiary amounted to 18.7% of the total for the period this year and 16.8% last year.

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Brompton Earnings About Same as 1943

Montreal.—Earnings of Brompton Pulp & Paper Co. are currently running at an average annual rate approximately the same as in 1943, though the pulpwood supply continues a problem and is resulting in some curtailment of production, it is announced officially.

Construction of the new kraft mill at Red Rock is stated to be progressing satisfactorily, and it is anticipated that production at this unit will be started during the latter part of 1945.

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Big Tonnage at Donalda?

Lundberg Estimates Up to 2,000,000 Tons in Flat Body

President T. W. MacDowell and consulting geophysicist Hans Lundberg of Donalda Mines, tell The Financial Post they believe the pattern of the indicated Donalda ore zone has finally been worked out and that a much more intelligent approach to attempted mine-making is now possible.

It is now thought that the main Donalda ore zone is a somewhat flat-lying occurrence stemming from an indicated fault zone to the west which may be a branch off the main Horne fault a short distance to the north. It is also thought that two and possibly three other similar zones may have been indicated and that a "ladder" type of ore deposition may be indicated. States Mr. Lundberg: "I do not think it out of the way to set as a goal, to develop some one and a half to two million tons of good ore, or perhaps more."

Thickness 6, 8, 10 ft.

The main flat-lying body is believed to lie at a depth of 300 ft. striking south 75 deg., 30 minutes east and dipping to the south at the very angle of 18 deg. Clue to the theory that the ore body is flat-lying was the fact that no matter where holes were drilled they returned values at around the 300-ft. horizon. Thickness of the gold values runs 6, 8 and 10 ft., Mr. Lundberg states, sometimes thicker. The rather famous No. 3 drill hole, it is thought, not only spiralled around to the West but flattened out toward the last and probably ran with the ore.

Ingenious methods were used by Mr. Lundberg to survey the No. 3 drill hole. In view of data now known of the magnetized character of rock in the neighborhood of the No. 3 hole and lack of magnetization of rock nearby, it is stated that the original surveys were bound to be incorrect.

Thickness of the flat-lying ore body increases toward the west near the indicated break off the Horne fault and it is thought that this break may have an important relation to the presence of gold values in the flat-lying zone. Further testing, it is expected, will work out from the western section.

Vertical Drill Holes Next

Drilling carried out so far has covered a length of some 800 ft. in length and 400 ft. in width. It is not known how far the assumed flat-lying ore body extends so vertical drill holes will now be put down at 200-ft. intervals along the strike and across the zone at similar intervals to outline values. As the vertical holes will be relatively short, it is thought that they will give fairly accurate information. Inclined holes completed to date may be of little value in estimating any ore available—no estimates of ore are considered feasible at this time—but it is hoped the vertical holes will supply reliable information quite rapidly. They should certainly be completed at a much more rapid rate than the inclined holes, should be cheaper to drill.

A possibility is that other flat-lying occurrences may recur at depth and some drill holes will no doubt be put down to greater depths to test this possibility. So far 14,000 ft. of drilling has been completed. Finances for proposed work are stated to be available in the treasury and the company has 900,000 unissued shares in its treasury to provide further funds when required.

Fairly Large Area

The section where values have been secured lies between two parallel faults 1,500 ft. apart so the favorable area for extending indicated values is fairly large.

The Donalda management hopes that the information secured by the company will prove of assistance to other companies operating in the area. Exploration is actually on a rather extensive scale. Quemont, to the west, is drilling while Eldona is stated to have secured good structure but no ore as yet. Wiltsey-Coghlan has one drill in operation on its main property and another on its outlying Donrand property. McDonald Mines is drilling up to the northeast and the Osisko Rouyn and Randona properties are slated for drilling, it is reported.

According to Mr. Lundberg, who has completed surveys of a considerable portion of the Rouyn area at one time or another, the pattern of Rouyn geology is becoming much clearer. The main Cadillac-Malartic break which passes through the southern part of the camp is now seen the main controlling structure with the Horne Fault branching off it. Other structures as well as the Horne Fault have been found branching off the main 100-mile gold belt break. Subsidiary structures are also found branching off the Horne fault.

Canadians Now Converted to Home Product

Merchants Benefit by Smokers' Discovery

Tobacconists have always been high among the ranks of merchants who act on the principle that the customer is always right and that there is no use in arguing about taste. So they kept large and varied stocks to suit the requirements of all their patrons.

The war, however, brought them merchandising difficulties. Wartime restrictions on imports made it impossible for them to supply the demands of their more exclusive customers who felt that they could not fully enjoy any pipe tobacco which was not imported.

However, reports show that many dealers have been able to satisfy their customers and keep their trade through the high quality which one Canadian manufacturer has attained in the production of Piccadilly "London" Mixture. Many veteran cultivated smokers have discovered that Piccadilly suits them even better than the brands which they were accustomed to smoke. They appreciate also the marked saving effected by its distinctly lower price.

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Kerr-Addison Earnings Dip

Estimated net profit of Kerr-Addison Gold Mines in the second quarter of 1944 declined to $146,300, equal to 3.1c. a share, from $506,633 or 10.7c. in the similar period of 1943.

The decrease in labor force resulted not only in considerable reduction in tonnage milled but in a still further curtailment of both development and diamond drill schedules, President J. Y. Murdoch reports. Broken ore reserves were maintained at about 500,000 tons due to the daily tonnage reduction.

On the 1,150-ft. level, drifts in preparation for future mining operations were driven in ore bodies Nos. 9, 15, 16, and 19, with muck values closely checking the diamond drill indications.

On the 2,500-ft. level, the east drift, laid out to avoid the main ore zones, was advanced 265 ft. during the quarter and intersected 47 ft. of carbonate type ore averaging 0.10 oz. gold per ton. Diamond drilling has not yet been done from the drift to ascertain the extent of this new ore.

Operating Results
Three Months Ended June 30

	1944	1943
Production:		
Tons milled	108,054	178,823
Average tons daily	1,187	1,965
Average recovery	$6.18	$7.18
Oper. costs per ton	$3.11	$2.46
Bullion recovered	$667,643	$1,284,288
Less: Oper. costs	335,519	440,056
Operating profit	332,124	844,232
Add: Misc. income	27,140	22,556
Less: Depr. & def. dev. w/o	155,676	155,470
Res. for taxes	57,288	204,685
Est. net profit	146,300	506,633
Earned per share	$0.031	$0.107

COMPANY REPORTS

Dome Mines

An estimated net profit of $1,387,270 is recorded by Dome Mines for the first six months of 1944, compared with $1,530,784 in the same period of 1943. A slight reduction in tonnage of ore milled was accompanied by a decrease in recovery per ton.

Estimated Earnings
Six Months Ended June 30

	1944	1943
Bullion production	$2,721,973	$2,943,098
Less: Devel. & oper.	1,137,940	1,119,439
Tax provision	510,043	585,984
Depreciation	41,748	54,720
Outside expl. w/o	18,000	18,000
Operating income	1,014,242	1,164,955
Add: Other income	373,028	365,829
Est. net earnings	1,387,270	1,530,784
Earnings per share	$0.71	$0.79
Production:		
Tons milled	260,500	263,900
Fine oz. gold	70,573	76,302
Recovery per ton	$10.45	$11.15

Perron Gold

Some high-grade intersections were obtained by Perron Gold Mines in the three months ended June 30, 1944, in the course of 11,445 ft. of diamond drilling on levels down to and including 1,025 ft.

Development work in the period included 585 ft. drifting, 487 ft. crosscutting, and 695 ft. of raising, all above the 1,025-ft. level. More important ore lengths opened were 80 ft. of 0.25 oz. gold across 5 ft. in 290 D.E., and 85 ft. of 0.15 oz. grade across 5 ft. in 259 sub. drift.

Of the ore milled in the period 25% of the tonnage and 22% of the gold milled came from 32 vein; 74% of the tonnage came from above the 1,025-ft. level.

Operating Results

Tonnage milled	27,819
Production	$257,251
Extraction	98.57%
Average daily tonnage	305.7

Hallnor Mines

Earnings of 13.5c. a share are shown by Hallnor Mines for the first six months of 1944, compared with 15c. in the same period last year.

Due to the scarcity of labor, no development work is being done, and it has been necessary to continue the practice of mining the larger lower-grade stopes, President J. Y. Murdoch reports. Current mill rate is 250 tons daily.

Operating Statement
Six Months Ended June 30

	1944	1943
Tons milled	54,670	56,042
Recovery per ton	$14.16	$14.49
Gold prod. & misc. tax	$803,300	$836,500
Less: Oper. expenses	309,300	290,900
Operating profit	494,000	545,600
Less: Depreciation	68,500	81,000
Tax reserve	113,000	122,300
Pre-oper. exp. w/o.	42,000	42,000
Est. net profit	270,500	300,300
Earned per Share	$0.135	$0.150

Omega Gold Mines will continue milling operations as long as men are available, the annual meeting was informed by Andre Dorfman, president. About 90% of the mill-feed is being drawn from above the 1,175-ft. level, but that additional ore has been blocked out below and will be utilized when labor conditions permit. Results were disappointing on the 1,900-ft. level in that only 15 ft. of ore was opened in 600 ft. of drifting.

OIL WELLS THIS WEEK

Empire Pete to Start In South Taber-Conrad

From Our Own Correspondent

CALGARY.—Providing another large scale development program in the South Taber-Conrad area of the southeast Alberta plains, Empire Petroleums Ltd., a new Alberta company, has announced that it has provided sufficient capital through sale of its shares to drill from 8 to 10 wells on holdings totalling 10,000 acres in this section of the province.

Initial well-site, Empire No. 1, has been staked by Geologist J. O. G. Sanderson in the centre of the northeast 10 acres of LSD 4 15-5-15w4, with drilling contract let to Newell & Chandler Ltd. The site is about 2½ miles north and east of California-Standard's Conrad-Province No. 2 discovery well (capable of 140-150 bbls. daily on pump, of 25.6 API crude from the Ellis sand), and is about 1½ miles east of the Mid-Continent-Standard No. 7 well, now drilling.

Empire holds leases totalling 10,000 acres, checkerboarded by Mid-Continent Oil & Gas Co., California-Standard Co., and Alberta Petroleum Operators Ltd. Mid-Continent and Standard are carrying out a joint development program—calling for 16 wells in all—on the block. The checkerboarded 60,000 acres extends from Twp. 6 Rges. 15 and 16w4, to Twp. 7 Rges. 16 and 17w4, to Twp. 8 Rge. 17w4.

Empire Petroleums (capital 3,000,000 shares npv) is headed by Frank M. McMahon, Calgary drilling contractor. Vice-presidents are Neil McQueen and Matt M. Newell. Other directors are: Norman Whittall, J. V. Drumheller, G. Max Bell, and A. P. Bowsher.

* * *

Major Rigs Rotary

Major Oil Ltd. has staked location and commenced rigging up light rotary for its third well in the southwest Taber area. The new well, Major-Taber No. 3, is located in the centre of the southwest 10 acres of LSD 14 9-9-17w4 (co-ordinates 320 ft. N 330 ft. E), about three eighths of a mile northeast of the Major-Taber No. 1 discovery well, now testing, and three quarters of a mile east of the Major-Taber No. 2, recently abandoned after failing to obtain commercial production. Drilling contractor is Newell & Chandler Ltd.

* * *

Major Consolidated

Major Consolidated Oils Ltd., recently organized company whose initial venture (Major-National No. 16) is now near completion at a key location in south Turner Valley, has announced sites for two more drill-tests to follow up the anticipated success of its first well.

The new wells are: Major Consolidated No. 17, to be drilled in the centre of LSD 13 4-18-2w5, quarter of a mile due south of Major-National 16; Major Consolidated No. 18, to be drilled in the centre of LSD 14 33-17-2w5, 1¼ miles south and a quarter of a mile east of Major-National 16.

Major Consolidated Oils holds 1,820 acres extending south and east from Major-National 16, plus an additional 1,160 acres in the same area held in reserve for it. The company states that additional large lease holdings (in central and north Turner Valley, Del Bonita, Twin River, Innisfree, Taber Ram River, Jumping Pound, Calling Valley, Purple Springs, Sandy Point and Waite Valley) are held by the directors in reserve, with the company having first refusal rights.

The company (3,000,000 shares npv) is headed by George Harris Sr., with board including Robert Wilkinson, W. S. Henderson, Leonard Phillips, William Kemp, and Fred A. Schultz, all well-known Calgary oil operators.

Initial drill-test, Major-National 16, was financed by issue of 3% debentures, taken up by the officers of the company and a number of companies they represent (National Petroleums Ltd., Gas & Oil Products Ltd., Anaconda Oil Co. Ltd., Richfield Petroleum Ltd. and Davies Petroleum Ltd.). Any net revenue from the well after retirement of the debentures goes to Major Consolidated. The two new wells are being financed by issue of stock in the company.

* * *

Royalite's Two More

Raising to four the number of new wells staked by the same company in the same section this month, Royalite Oil Co. has located two more wells on Section 2-20-3w5, on the southerly part of the Turner Valley northwest flank.

The two new sites are: Royalite No. 77, to be drilled in the centre of LSD 1 2-20-3w5, a quarter of a mile east of the Royalite 67 producer; Royalite No. 80, in the centre of LSD 10 2-20-3w5, a quarter of a mile east of the Royalite 74 producer.

Earlier this month, Royalite located its Royalite No. 78 in LSD 14 and Royalite No. 79 in LSD 7, Section 2-20-3w5. These two wells, together with the new Nos. 77 and 80, form a 1¼ mile line extending northwest across the section from the southeast corner, the line of new sites being east of the three wells now producing in this relatively undeveloped portion of Turner Valley (Royalite 67, LSD 2; Royalite 75, LSD 6; Royalite 74, LSD 11, all in Section 2). The No. 79 well is now drilling. The other three sites will be drilled as rigs become available.

Preston East Dome Mines operating profit of $203,759 in the June quarter was derived from production valued at $572,363. In the same quarter a year ago output amounted to $585,765 and operating profit $225,866.

Mining Concentrates

Lake Expanse Gold Mines is conducting a geophysical survey preparatory to a diamond drilling program, it is stated. Previous work proved a fracture zone for 600 ft. with one ore shoot 50 ft. long by 9 ft. wide averaging $12 per ton. The first drill hole under this averaged $10.37 for 26 ft. of core. Drilling south along fracture zone for some 200 ft. indicated values across minable widths up to 10 ft. with the structure continuing. North and east of the main showing, three other discoveries were tested by surface work, giving good values.

* * *

Granby Consolidated Mining operating profit in the June, 1944, quarter, including accrued exchange on current production and after income and other taxes of $28,156, amounted to $93,833. After depreciation and depletion of $69,332, net profit was $24,501, or 5 cents a share. Contract with the U. S. Commercial Co. has been extended to cover an additional 15,000 tons of copper concentrates for delivery before Nov. 15, 1944.

* * *

Madsen Red Lake Gold Mines produced bullion worth $412,401 in the June quarter from 35,425 tons ore milled, an average recovery of $11.64 per ton, compared with $316,731 from 35,259 tons and average of $8.98 in the previous quarter.

* * *

MacLeod-Cockshutt Gold Mines production in the June quarter $411,269 from 31,605 tons ore milled, average recovery being $13.01 per ton. In the previous three months output was $421,926 from 35,253 tons for average of $11.97 per ton.

* * *

McVittie-Graham Mines' shareholders will meet in Montreal on Aug. 4 to consider the sale of the company's assets, excluding 700,000 Conwest Exploration shares, to a new company, McVittie-Graham Mining Co. Ltd., for 350,000 shares, these to be distributed to shareholders on the basis of one new for each 10 old shares held.

Also considered will be the distribution of 700,000 Conwest shares on the basis of one Conwest for each five McVittie held. Directors will also seek authority to surrender the company's charter.

Interim balance sheet as at July 15, 1944, shows cash of $5,498, 746,330 shares of Conwest Exploration carried at cost of $272,981, mining properties and claims of $50,000, and deferred charges of $301. Liabilities total $780.

From Jan. 1 to July 15, 1944, excess of expenditures over income totalled $30,750.

* * *

Mascot Malartic Mines has contracted for 5,000 ft. of diamond drilling, the program scheduled to commence about Aug. 1. The property is located in Fourniere twp., Quebec.

* * *

Sullivan Consolidated Mines production in June quarter was $334,309 from 39,647 tons ore milled, an average recovery of $8.43 per ton. This compares with $362,851, 38,831 tons and $9.34 average in preceding quarter.

* * *

N. A. Timmins Expl. (Ontario) has taken an option on Lakemount Mines, Ltd., a copper-nickel prospect in the Michipicoten mining area, it is stated. The project might ultimately provide ore to be used in the new metallurgical process developed at Chromium Mining & Smelting Corp. for use in that company's exothermic products—Copper-X, Nickel-X and Fer-X. Exploratory work is now in progress on the property which is reported to have been extensively diamond drilled. Future developments will be determined by the size of the ore body found and the results of metallurgical tests, and other economic considerations will determine the smelter location. Should development warrant it, the smelter will be erected on or near the property.

* * *

Powell Rouyn Gold Mines production in the quarter ended June 30, 1944, totalled $225,912 from 53,411 tons milled, an average recovery of $4.23 per ton. Operating loss for the period, includng $44,493 for shaft sinking, amounted to $68,097. In the same period of 1943, a profit of $51,403 was derived from output worth $347,350. As announced earlier, production at an early date will be substantially curtailed for the duration and efforts concentrated on developing ore reserves. Mill buildings were damaged to the extent of $15,000 on June 29 by a storm of tornado proportions, L. M. Keachie, president, states.

McIntyre Profit Down First Quarter

A further decline in earnings of McIntyre Porcupine Mines is noted for the June quarter of 1944, first quarter of current fiscal year. Net profit of $633,640 was equivalent to 79c. a share, a decrease of 13c. when compared with the corresponding 1943 quarter.

Earnings Statement
Three Months Ended June 30

	1944	1943
Gross income	$1,901,391	$2,067,171
Less: Costs, incl. dev.	957,278	977,501
Taxes	273,918	325,203
Depreciation	36,555	40,578
Net income	633,640	723,889
Earnings per share	$0.79	$0.91

Guaranty Trust Co. has been granted an application for listing an additional 1,541 fully paid shares by the Toronto Stock Exchange. The new listings represent stock which was previously subscribed for and partly paid up and has now been fully paid. This brings total listing up to 3,750 fully paid and outstanding shares.

Steep Rock Iron Mines Limited has advised the Toronto Stock Exchange that E. D. Brown, an employee of the company, has taken up 3,000 shares of capital stock under option granted to him on October 28, 1943. Issued capital is 3,441,009 shares leaving 558,991 shares in the treasury.

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Outcome BEAR Suit Important

Yellowknife Gold Mines May Be Big Winner, Data Indicates

By GORDON M. GRANT

Yellowknife may provide one of the finest legal fights found in the arena of mining for some time if interested parties fail to reach an out of court settlement or compromise before fall. Results may have far-reaching effects on two Yellowknife companies—Bear Exploration and Radium and Yellowknife Gold Mines, B.E.A.R.'s 55-60% owned subsidiary.

The fight will be the sequel of the injunction secured by J. J. Gray, stormy petrel of Bay St. mining, a large shareholder in both companies. The injunction secured earlier this year has prevented B.E.A.R. absorbing its subsidiary Yellowknife Gold Mines on the basis of two Yellowknife Gold shares for one share of B.E.A.R. Once the injunction was suggested to be little more than "obstructionism," but it now appears that ultimately the position of Yellowknife Gold Mines could be greatly strengthened and the position of B.E.A.R. somewhat weakened, should Gray win out. This situation, it is thought, may be the explanation for part of recent weakness in B.E.AR. shares—and the sharp rise of Yellowknife Gold Mines' shares through the $2 mark on the unlisted market.

Apparently there are several "bones of contention"—as shown by pleadings on the lawsuit—which the Gray interests apparently plan to carry into a finish fight. Taken together, they spell a chief claim that certain transactions completed or proposed tend to favor B.E.A.R. at the expense of Yellowknife Gold Mines.

Transfer of 650,000 Giant shares—now worth roughly $5 millions—from Yellowknife Gold Mines to B.E.A.R. is one of the important items of contention; the Gray interests question the transfer of these shares, are asking to have them transferred back.

B.E.A.R. now has 525,004 Giant shares, it is stated. Arguments have been lodged for the defense.

According to the interests campaigning for a return of the 650,000 Giant Yellowknife shares from B.E.A.R. to its subsidiary, 350,000 shares of Giant Yellowknife were transferred from Yellowknife Gold Mines to B.E.A.R. in cancellation of a debt in a fashion, it is claimed, contrary to certain provisions of the Ontario Companies Act.

When the stock was turned over to B.E.A.R., the matter may have seemed one of small proportions—Giant shares were then only cents a share — but with Giant shares since selling as high as $10.17 a share, and the Giant property proving apparently the best to date in Yellowknife, the matter is of much greater interest.

Another claim for 300,000 shares of Giant Yellowknife shares is stated to go further back and may be contested in court on the grounds of "acquiescence," although it is understood that the claim is not old enough to be statute barred.

Might Mean Drastic Change

Should the 350,000-share block of Giant Yellowknife shares be transferred back to Yellowknife Gold Mines, it is possible that the whole complexion of things would change and that Yellowknife Gold Mines might emerge as important a company as B.E.A.R. — and with less than a third of the B.E.A.R. outstanding capital.

At the present time Yellowknife Gold Mines is stated to own 380,000 shares of Giant Yellowknife. If 350,000 shares should be transferred to Yellowknife G. M. that would mean Yellowknife G. M. would own 730,000 Giant Yellowknife shares as against only 175,000 for B.E.A.R. (not including a B.E.A.R. indirect interest through control of Yellowknife G. M.).

Most of the well regarded "B.E.A.R. ground" in the Yellowknife area is actually held in the name of Yellowknife Gold Mines. Yellowknife G. M. holds a reported 128 Yellowknife claims, several times the number of claims B.E.A.R. holds directly.

The Homer Prosperous group under option to Frobisher Exploration Co. is owned by Yellowknife Gold Mines, not B.E.A.R., it is stated. Yellowknife Gold Mines owns 800,000 shares of Yellorex Gold Mines as against 115,005 shares owned directly by B.E.A.R. at the end of 1943.

Yellorex is considered one of the best bets in the B.E.A.R.-Yellowknife Gold Mines orbit.

The B.E.A.R.-Yellowknife Gold Mines ownership is roughly this: B.E.A.R. held 1,005,267 of the 1,782,357 issued shares of Yellowknife Gold Mines at the end of 1943; an option (in dispute) was also reported held by B.E.A.R. on 1,217,643 Yellowknife Gold Mines' shares at 30 cents a share, an option which was to be surrendered if the amalgamation went through. The interests contesting the proposed amalgamation dispute the validity of the option which it is claimed dates back to 1936.

Authorized Capital Increased

B.E.A.R.'s authorized capital was increased from four to five million shares not long ago, and rights were offered to the holders of four million issued shares on the basis of one new share at 40c. for each 20 shares held. Options have also been granted on a further 414,000 shares at an average price of 60c. with the 386,000 remaining shares reserved for the amalgamation deal advanced.

Besides its Yellowknife holdings B.E.A.R. has also a substantial block of shares in International Uranium.

It is not inconceivable that with the potential value for ground held by Yellowknife G. M. that at a later date it might possibly be decided that the assets of the two companies are worth about the same amount—even allowing for B.E.A.R.'s interest in Yellowknife Gold Mines. If this should be the case — with the difference in the outstanding capitals of the two companies—it is understood that the interests backing the claims of Yellowknife Gold Mines might be satisfied with an exchange or the basis of one share of Yellowknife Gold for three B.E.A.R. shares.

Certainly the stock market no longer appears to take seriously the possibility of an exchange of one B.E.A.R. for two Yellowknife Gold shares with the two issues now selling at approximately the same level.

New Mines for Malartic?

Westward Possibilities of Malartic Break Are Enhanced

Will the Malartic area bring forth a crop of new gold producers to the northwest?

West Malartic Gold Mines, the most westerly producer on the main Cadillac break which houses such stalwarts as Canadian Malartic, East Malartic and Malartic Gold Fields, etc., is currently providing very favorable drilling news and other gold prospects, newly financed, are embarking on programs designed to thoroughly test their respective properties.

One of the last properties to come into production before wartime restrictions affecting gold mines were inaugurated, West Malartic Gold Mines has launched a comprehensive exploration and development program designed to thoroughly test the property with the view ultimately of doubling the present mill capacity of 300 tons.

Heretofore financed by a small U. S. group, a million and a half shares have been made available to the treasury of which one million have been optioned by Montreal and Toronto brokerage interests to net the treasury $705,000 when fully exercised.

The property is developed by a 700 ft. shaft with five levels and in the new program possibly two or more levels will be established.

Millfeed has been averaging between $7-$8 a ton and current drilling gives indication that this will be materially increased. Drilling below the 700 ft. horizon recently gave a core length of 38 ft. in the three sections as follows: 166 to 169 ft., $15.40; 174 to 179 ft., $15.40; 199 to 204 ft., $20.02. The values were secured between two faults and may be something new rather than an extension of No. 3 zone which averages between $7-$8 across 30 ft. widths.

A drill hole from the 3rd level to undercut 6-north ore body yielded one section averaging $45 over 14 ft. of true width. This may represent a widening of the zone, it is stated.

Parbec Malartic Drilling

Parbec Malartic Gold Mines reports sufficient finances on hand to do some further diamond drilling on its property acquired from Partanen Malartic Gold Mines.

Located in the south-west part of Malartic township, more than 38,590 ft. of drilling has been done. All the available core has been examined and re-logged by J. P. Norrie, and some good values indicated augur well for the property.

In No. 1 or Camp zone, the more important intersections along a strike length of 600 ft., included 10 ft. of $7.26, 4.1 ft. of $42.52, 1.2 ft. of $12.60 and 3.5 ft. of $8.31, at depth of approximately 250 ft. of vertical depth.

No satisfactory correlation of values can be made in the No. 2 zone but previous work indicates two gold bearing zones are present, one in porphyry for length of 50 ft. between holes 18 and 19 and averaging $7.33 over a core length of 3.1 ft., the other in diorite for 50 ft. between holes 17 and 18, averaging $13.20 over a core length of 2.4 ft.

Good results were also obtained on the No. 3 or Discovery zone but they cannot individually be correlated with any degree of certainty with the present information, Mr. Norrie states. Further drilling on this zone will probably add very little to present information and these shoots or zones will have to await underground development for their interpretation.

East Amphi Gold Mines

Howey Gold Mines heads the group financing East Amphi Gold Mines. The property straddles the Malartic break for about three miles and is separated into two groups, the east group adjoining Sladen Malartic on the north and northwest, and the west group separated by the intervening Parbec Malartic.

A magnetometer survey of the property is being undertaken and diamond drilling is scheduled to start about Aug. 1.

Considerable drilling was accomplished in previous work with the most important values secured along the northern part of the main shear zone on the south contact of the greenstone belt, under conditions stated to be similar to those on Malartic Gold Fields. Diamond drilling along a section 1,100 ft. in length gave values ranging from 5 ft. of $2.10, to 5.5 ft. running $29.40 a ton.

Sladen Drilling

Immediately south of the East Amphi east group, Sladen Malartic is drilling the northern section of its property with nothing to report as yet.

Aunor Profits Show Decrease

Substantial decrease in earnings is recorded by Aunor Gold Mines in the six months ended June 30, 1944. Net profit was equivalent to 10.8c. a share, compared with 17.4c. in the corresponding 1943 period.

Grade of ore treated was greatly improved, but was offset by the lesser tonnage milled. Daily average in the period was 255 tons against 303 tons in the first half of 1943.

Drive West at 1,650

The drive west on the 1,650-ft. level is expected to be in ore before the year end. Stations have been cut at 1,750 and 1,875 ft., and the shaft concreted solid from depth of 2,125 ft. to above the 1,625-ft. level.

The drifts west on the 1,375 and 1,500-ft. levels have been completed with ore developed totalling 1,490 ft. averaging 0.417 oz. gold over 13 ft., and 1,052 ft. averaging 0.337 oz. over drift width of 5.9 ft., respectively. Diamond drilling indicates a width of ore on the 1,500-ft. level comparable to the level above.

Drift on the 1,000-ft. level has been extended to within 350 ft. of the Delnite boundary where a crosscut is being driven north and further diamond drilling will be done in all directions.

Lake Shore Output Lower Last Quarter

Reflecting the present difficult labor and supply situation, Lake Shore Mines production dropped below the million mark in the three months ended June 30, 1944.

Output for the quarter was $987,921 from 64,911 tons of ore milled, an average recovery of $15.22 a ton. This output compared with $1,059,857 from 64,698 tons in the March, 1944, quarter and $1,244,330 from 66,586 tons of ore in the three months ended Dec. 31, 1943.

Leitch Output Off In June Quarter

While ore supply is ample for approximately seven years' mill requirements, current output has shown a downward trend recently at Leitch Gold Mines.

Output for three months ended June 30, 1944, was $159,836 from 5,869 tons of ore milled. This compared with recovery of $195,039 from 6,991 tons of ore milled in the preceding quarter when recovery averaged $37.90 a ton.

Mining Options

Amalgamated Gold Fields Corp. — By July 10 agreement, Bramwell Saywell agreed to purchase 350,000 shares for $25,000 payable within 90 days and received option on 1.5 million shares: 200,000 share blocks at 10, 12½, 15, 20 and 30 cents a share, and 250,000 share blocks at 40 and 50 cents a share. Authorized capital is five million shares with 2,737,530 issued.

Auterra Mines—By June 30 agreement, E. Lewis agreed to purchase 100,000 shares at 5 cents each, and received an option on 1,899,990 more; 200,000 shares at 5c. and 7½c. a share; 250,000 shares at 10c., 15c., 20c. and 30c. a share; 499,990 shares at prices ranging from 50c. to 90c. a share. Authorized capital is 3,000,000 shares with 1,100,005 issued.

Bravo Yellowknife Mine—By June 30 agreement Frank G. Sullivan agreed to purchase 300,000 shares for $24,000 and received an option on 700,000 more: 300,000 shares at 10c. a share; 200,000 shares at 15c.; 100,000 shares at 17½c. and 100,000 shares at 20c. Authorized capital is three million shares with 1,000,005 issued.

Irvin - Porcupine Gold Mines—By June 27 agreement Frederick William Brennan agreed to purchase 20,000 shares at 5c. each and received an option on 1,480,000 shares: 180,000 shares at 5c. a share; 200,000 shares at 6c.; 1,100,000 at prices from 7½c. to 50c. a share. Authorized capital is 3.5 million shares with 1,438,033 issued.

Lake Expanse Gold Mines—By June 29 agreement Wesley Wilson McBrien agreed to purchase 500,000 shares at 10c. and received an option on 1,150,000 more: 250,000 shares at 15c. a share; 250,000 at 20c.; 250,000 at 25c. and 400,000 at 40c.a share. Authorized capital is three million shares with 1,089,205 issued.

Morie Yellowknife Gold Mines—By July 6 agreement Peter J. E. VanOudenol received an option on 900,000 shares, being 300,000 shares at 5c. and 200,000 share blocks at 7½c., 10c. and 15c. a share. Authorized capital is three million shares with 1,000,005 issued.

O'Leary Malartic Mines—By June 24 agreement an option was granted to Erickson, Hevenor & Co. on 100,000 shares at 15c. each. Authorized capital is three million shares with 2,255,255 issued.

Wesreserve Oil—By June 9 agreement R. Parker Davis et al agreed to purchase 1,000,000 shares at 10c. each. By June 29 agreement West Indies Co. Ltd. agreed to purchase 750,000 shares at 10c. a share. Authorized capital is four million shares with 1,200,005 issued.

West-Bay Yellowknife Mines—By July 4 agreement W. S. Coupland received an option on 1,749,995 shares: 500,000 shares at 12½c. a share; 250,000 share blocks at 25c., 50c., 75c. and $1 a share; 249,995 at $1.25 a share. Authorized capital is 3.5 million shares with 1,250,005 issued.

Windsor Yellowknife Gold Mines — By July 6 agreement David L. Kennedy received an option on 1,000,000 shares as follows: 250,000 shares at 5c. a share; 100,000 at 7½c.; 100,000 at 10c.; 550,000 at prices from 12½c. to 75c. a share. Authorized capital is three million shares with 1,100,005 issued.

Ace Yellowknife Mines — By July 7 agreement L. F. Broad agreed to purchase 100,000 shares at 10c. each and received an option on a further 2,199,995 shares; 400,000 shares at 10c. a share; 200,000 at 12½c.; 150,000 blocks at 15c. and 17½c.; 100,000 blocks at 20c., 22½c., 25c., 27½c. and 30c., and 799,995 shares at 75c. Authorized capital 3.5 million shares of which 1,300,005 are issued.

Blondor Quebec Mines — By May 29 agreement, A. H. Wells received an option on 300,000 shares; 100,000 at 25c.; 100,000 at 30c. and 100,000 at 35c. Authorized capital three million shares of which 300,005 are issued.

Delhi (Temagami) Gold Mines—By June 30 agreement, Pauline Leary received an option on 900,000 shares; 100,000 shares at 5c.; 200,000 blocks at 7½c., 10c. and 12½c.; 100,000 share blocks at 15c. and 20c. Authorized capital three million shares, of which 1,242,105 shares are issued.

Fleetwood Yelowknife Mines—By July 4 agreement Albert C. Warner agreed to purchase 100,000 shares at 5c. and received an option on a further 1,800,000 shares; 300,000 shares at 5c.; 200,000 share blocks at 7c., 8c., 10c., 12c., 15c. and 20c.; 100,000 share blocks at 25c., 30c. and 40c. Authorized capital three million shares, 1,000,005 are issued.

Goldrich Yellowknife Mines—By July 6 agreement P. W. Bishop received an option on 1,949,995 shares; 500,000 shares at 10c.; 400,000 at 25c.; 300,000 at 40; 300,000 at 50c.; 449,995 at $1. Authorized capital three million shares of which 1,050,005 are issued.

Hutchison Lake Gold Mines—By June 30 agreement George Chapman & Co. received an option on 1,000,000 shares; 200,000 shares at 2½c.; 200,000 share blocks at 5c., 7c., 10c. and 12. Authorized capital four million shares, 3,000,000 issued.

Jeph Yellowknife Gold Mines—By June 24 agreement Captain Mining Synd. Ltd. agreed to purchase 200,000 shares at 5c. a share and received an option on a further 1,549,995 shares; 300,000 share blocks at 10c. and 15c.; 200,000 at 20:.; 749,995 at 45c. Authorized capital three million shares of which 1,250,005 are issued.

Kimberley Yellowknife Gold Mines—By July 5 agreement John Allan Douglas agreed to purchase 100,000 shares at 5c. and received an option on a further 900,000 shares; 300,000 at 5c.; 200,000 share blocks at 6c., 8c. and 10c. Authorized capital three million shares, 1,100,005 are issued.

Macfort Gold Mines—By June 30 agreement Airquests Ltd. agreed to purchase 100,000 shares at 7c. and received an option on a further 900,000 shares; 100,000 at 7c.; 200,000 share blocks at 8c., 10c., 12c. and 20c. Authorized capital three million shares of which 1,000,005 are issued.

Masco Yellowknife Mines — By July 7 agreement H. N. Hansen & Co. received an option on [illegible],000 shares at 75c. a share. Authorized capital is 50,000 shares of which 10,003 are issued.

Parbec Malartic Gold Mines—By July 6 agreement Leslie L. Steindler received an option on 1,600,000 shares; 150,000 share blocks at 5c., 6c. and 8c.; 200,000 share blocks at 12½c., 17½c., 25c., 35c. and 50c.; 150,000 at 60c. Authorized capital three million shares of which 1,400,000 are issued.

Sladen Malartic Production Lower

A limited amount of development work was carried out on the 950- and 1,425-ft. levels, R. R. Basserman, general manager, Sladen Malartic Mines, states in the quarterly report. On the 950 level a small tonnage of ore has been indicated; on the 1,425 horizon the drive is being extended to the No. 1 shaft, and will serve as a basis for an extensive exploratory program.

Operating Results

	2nd Qar.	1st Quar.
Tons milled	55,754	60,782
Production	$196,255	$253,354
Oper. cost per ton	$3.12	$3.22
Operating profit	$22,482	$57,905
Net current assets ...	$686,963	$669,047

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IN YOUR OPINION

Federal Ministry of Forests?

The Question: Should we have a federal ministry of forests and forest industries and if so how extensive should be its powers?

G. Percival Burchill

Proprietor, Geo. Burchill & Sons, Nelson, N.B.

In view of the importance of our forests to Canada's whole economy as well as their influence on the social structure and character of our citizens, I feel the time has arrived when national forest management should be given greater prominence by the Federal Government and, if necessary, separate departments established to lead the way and by advice and assistance to collaborate with the various provincial departments in the management of their respective provincial forest domaine. Such a department could make a big contribution from science and the research laboratory.

• • •

W. A. Delahey

Manager, Ontario Forest Industries Association, Toronto.

Although forest industries rank second only to agriculture in our Canadian economy and pay heavy direct and indirect taxes annually to the federal treasury, successive Ottawa governments have done little for forestry. This should be changed. I believe a federal forestry department should be established to handle forestry research, protection of forests against insects and tree disease, forest products trade promotion, and other matters recommended in the Wallace Subcommittee Report and by John Bracken in his May 15 speech. This department must be organized to work in close co-operation and understanding with provincial forestry departments and so that neither overlapping of work nor invasion of provincial rights will result.

• • •

Hugh J. Fleming

Sec.-treas. and manager Fleming and Gibson Ltd., Juniper, N.B.

A national forest policy developed in conjunction with various provinces to conserve and manage our forest resources is long overdue. A separate branch of the department of mines and resources or federal ministry of forest and forest industries are quite essential to such an important producing and exporting industry. Research should be under Dominion control with all information available to the provinces.

Application of scientific knowledge should increase annual growth, thus conserving this great national asset. The quest of further markets for utilization of more by-products should be a matter of national concern. Preservation of wooded areas is of tremendous importance to our whole national economy.

• • •

William E. Golding

President, New Brunswick Section Canadian Forestry Assoc., Saint John, N.B.

I agree that there should be co-ordination between Ottawa and the provinces in the matter of forestry in actual management which has been very efficient in New Brunswick. There should be no interference. Ottawa can do good work in the following ways:

1. Aerial photographs and entomology.
2. Assistance in construction of forest motor roads.
3. Assistance in forest fire protection.
4. Private owners of timberland are severely penalized by provincial taxation in all forms and there is, in addition, unfair treatment at Ottawa in the matter of depletion. Citizens should be encouraged to own and protect green growing timberland which is of immense value to all Canadian citizens.

If a Federal Ministry at Ottawa will accomplish this it will be helpful.

• • •

Karl K. Homuth

Member of Parliament, Preston, Ont.

I am of the opinion that since much of our forests is under provincial jurisdiction a separate technical branch of the Department of Mines and Resources would be adequate, where otherwise a department could be justified.

The establishment of such a technical branch would place forestry on a basis equivalent with mining in Canada. I believe this branch should be established immediately, not only as a means of protection for our rapidly disappearing natural forest wealth, but also for the better utilization of this great asset in the postwar period. The present position of forestry within the Department of Mines and Resources is wholly inadequate if the possibilities of the forest industries are to be fully utilized for the advancement of Canada and the benefit of Canadians.

• • •

F. Malcolm Knapp

Associate Professor, Department of Forestry, University of B. C., Vancouver.

Whether the Wallace Subcommittee Report is fully implemented or not, a federal ministry of forests is essential, in my opinion, in view of the relative importance of forests in the Canadian economy. The federal government should play a larger part in development of forest policy, correlation of forest research and contribute a fair share of costs of fire protection and forest development in provinces on a co-operative and decentralized basis. It has a large field in the development of forest fire insurance at a reasonable cost and extension of forest credits at low interest rates to lumbermen for encouragement and development of improved forest practices and sustained yield programs.

• • •

Omer Lussier

Consulting Forest Engineer, Quebec, Que.

Not only is it desirable, but, in my opinion, a federal ministry of forests and forest industries is of prime necessity and should be organized immediately to prepare for the postwar era. Such a ministry should work in close touch with the different provincial ministries of forests and its powers might bear on the following subjects:

1. Researches and experiments in silviculture, management, woods protection and utilization.
2. Statistics.
3. Control of epidemics.
4. Distribution of grants under certain conditions to provinces for the development and management of forests namely: construction of roads, improvement of rivers for driving purposes, and so forth.

• • •

Leslie C. Way

Editor, News, Powell River, B.C.

While I do not feel qualified to advocate setting up a ministry, I certainly am of the opinion that a special department should be established to formulate an over-all national forest policy with a master plan of conserving and perpetuating present resources such as British Columbia has undertaken. Such a federal policy would of necessity have to provide for regional autonomy in view of varied species of timber grown in different parts of the country and with regard to existing provincial policies.

• • •

H. R. MacMillan

President, H. R. MacMillan Export Company, Vancouver.

A federal ministry of forests and forest industries is unnecessary and redundant because the Dominion Government owns practically no timber lands. Therefore, the administration of forest lands is entirely under provincial governments. Whatever functions can be undertaken by a central government with respect to forest industries are already performed by various government departments, provincial and Dominion.

There is no reason to believe that provincial governments would give up their responsibilities with respect to forests or forest industries, nor is there any reason to believe that the Dominion Government, centralized so much farther from the people, would give better administration.

The responsibilities that could be undertaken by the Dominion Government, such as research, and giving leadership in education of the public respecting the necessity of making forests a permanent crop and giving financial aid toward and leadership in establishing higher fire protection standards, hardly justify a Dominion Ministry of Forests and could probably be undertaken by the Dominion Department of Resources.

Revenue derived by the Dominion Government from income tax and succession duties arising out of liquidation of the forest crop is now so important and promises to be so important in the future after the forest is maintained as a permanent crop, that the Dominion Government, on financial grounds alone, would appear to be justified in making grants to provincial forest departments to assist the provincial forest administration in reaching or maintaining certain standards of performance in forest protection, forest research and maintenance of the next forest crop.

• • •

Elmore Philpott

Well known in newspaper and political circles, Vancouver.

We do not need a national ministry of forestry. The move would be backward and rightfully resisted by provinces. Experience with the national fisheries department should constitute a warning. Problems are greatly different for the East and West and a single control therefore is bad.

We do need a law for every province putting its annual cut on a crop basis as in Sweden, with compulsory replacement equal to total wastage due to cut, fire and disease. National authority could regulate export on the above basis and also greatly extend research into wood products. The greatest national help would be a mixed system of public and private enterprise which would provide a stable total domestic market in building trades.

• • •

S. Morgan Powell

Editor, Star, Montreal.

I would strongly favor a federal ministry of forests and forest industries. In my opinion it should have full control particularly in regard to exploitation of timber grants and the lumber business. It should also control fire rangers forces and to a certain extent irrigation, in so far as it would affect forest growth. I would favor the strictest control of hunting and also of traffic under such a ministry. Of course it could not be established without the consent of each province, and there lies the snag, particularly as far as Quebec is concerned, but we live in hopes these days.

• • •

E. H. Roberts

Director of Forests for Saskatchewan, Regina.

I believe that such an official could perform a valuable national service upon completion of a comprehensive forest and soil inventory and a study of economic problems involved. Such a ministry would be in a position to draft national and regional policies for future management of our forest lands to meet domestic needs and expand export markets for surplus wood products. The dependence of wild life, water conservation and recreational needs of our people on a sustained forest estate is beyond question. The benefits to be derived extend beyond provincial boundaries.

• • •

Hon. W. Earl Rowe, M.P.

President, Great Lakes Paper Company Ltd., and Member of Parliament for Dufferin-Simcoe.

Forest industries have grown rapidly to a place of great importance in our national economy. I believe a Dominion department of forestry or a new branch of the Department of Mines and Resources, as proposed by Mr. Bracken at Campbellton, May 15, 1944, should be established.

The operations of this department should not be allowed to conflict with provincial rights but this function should be in co-operation and co-ordination with the services of forestry entomology and pathology to preserve our forests against insects and disease that are reported from our Dominion departments as already doing more damage than fire. Research and international trade relations can also be promoted by such a Dominion department without any conflict with, but as a constitutionally sound supplement to our several provincial departments of lands and forests.

• • •

K. O. Roos

General manager, Booth Lumber Ltd., Tee Lake, Que.

I believe there should be a ministry of forests or a separate department equivalent to that of mines. The job of such a department would be to engage in forestry and forest products research; to assist in development of foreign markets; to co-operate with and to act as a central clearing house for provincial departments.

A. E. Wicks

A. E. Wicks Ltd., Cochrane, Ont.

In face of serious losses from fire and insects and the ever-increasing demand for wood products of all kinds, I believe a federal ministry over Canada's forests and industries is essential before it is too late. The average Canadian does not appreciate the extent of the ravages to forests and how fast so-called merchantable areas are becoming depleted. Therefore a Canada-wide, sensible and practical policy is advisable where sectional or provincial and at times selfish interests cannot affect the good of all Canada.

42% of Renters To Build or Buy

Of Canada's 1,181,000 house renting families (1941 census), 284,000 families or about 24% are reported by the latest Gallup Poll as planning to build after the war, with another 213,000 families or 18% planning to buy either new houses which they hope will have been built by that time, or older ones then vacant, rented or owner-occupied. About 472,360 or 40% are reported planning to continue renting, 200,753 or 17% with no specific plans, and 11,809 or 1% to return to homes already owned.

How many present home owners are planning to build new houses, is not averaged by the report. But families now renting clearly will contribute substantially, it is indicated by the poll, to the coming boom in house building, furniture and moving.

Indicated too is a large program of repairs and improvements, probably coinciding with the proposed restoration of the federal housing administration's Home Improvement Plan. The Gallup Poll finds that a third of Canada's present home owners have postponed such work in wartime; that well over a quarter of the total home owners intend to undertake such work with a medium average expenditure of $500 after the war ends.

Stelco Output Up in Half Year

Labor Shortage Hits Finishing, Costs Rise, as Sales, Output Higher

In a letter accompanying dividend checks this week, Steel Co. of Canada's president, Ross H. McMaster, told shareholders:

—for the first six months of 1944, output of steel ingots topped the same period of 1943 by 5.8%;

—values of sales of steel products for the half-year was up 7.7%;

—demand for steel is still "insistent," operations as near capacity as labor supply will permit.

Tempering this good news were other statements. The sales boost was due, he explained, to purchases of semi-finished steel and reduction in the tonnage of inventories carried. Manpower shortage has curtailed certain finishing operations. Costs of production are still rising, he added, "and under controlled selling prices, many of which remain unchanged since 1939, there is a corresponding decline in margin of profit per unit."

Hospital Bond Issue

MONTREAL.—Issue of $1,000,000 Ste. Jeanne d'Arc Hospital, Montreal, $3\frac{1}{2}$% bonds, dated Aug. 1, 1944, and due Aug. 1, 1959, has been offered to the public at 100 and accrued interest by Oscar Dube & Co., Inc., of Quebec City.

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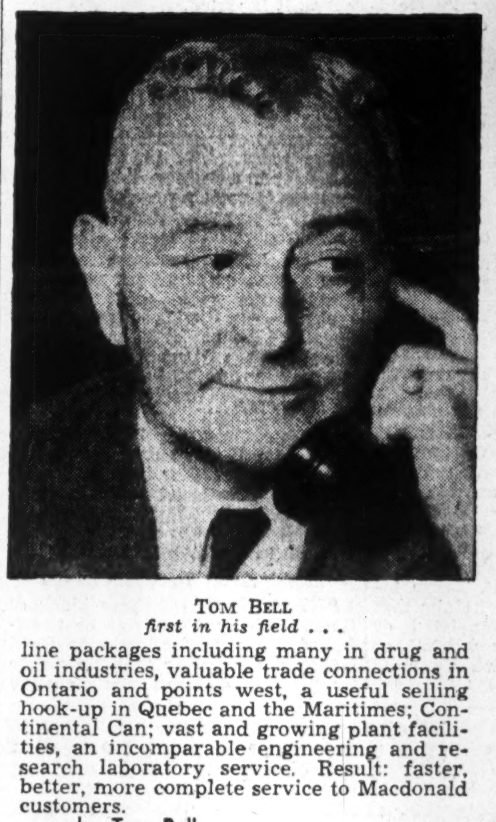
CONTINENTAL CAN

. . . plus Macdonald

Macdonald Manufacturing Company of Toronto, prominent container makers for sixty-two years, recently joined with Continental Can to round out a more comprehensive packaging service to Canadian packers and manufacturers.

Both brought much to the merger. Macdonald; plant (see cut) facilities, an uncanny skill in devising and making general line packages including many in drug and oil industries, valuable trade connections in Ontario and points west, a useful selling hook-up in Quebec and the Maritimes; Continental Can; vast and growing plant facilities, an incomparable engineering and research laboratory service. Result: faster, better, more complete service to Macdonald customers.



TOM BELL
first in his field . . .

. . . plus Tom Bell

Large in the picture loomed Tom Bell (see cut), dean of general line packaging experts who continues to direct Macdonald destinies under the Continental banner. Veteran packageer Bell's magic touch, acquired through a lifetime in the trade, had won the esteem and confidence of scores of package buyers who simply dumped their problems in his lap and let him do the worrying. No matter how intricate the proposition, Tom's capacity for pondering imponderables speedily asserted itself; found wider scope in a larger field of operations.

AIR TESTER
flawless products assured . . .

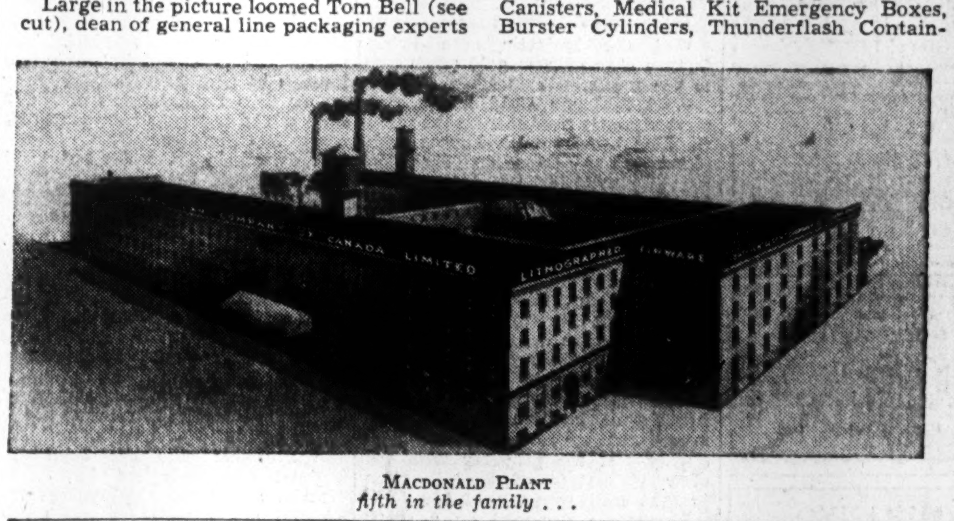
Through Bell, the merger gave Macdonald customers immediate access to Continental Can's Technical Service adept at solving package posers. Rarely stumped, this department keeps cannery equipment running smoothly, unravels technical tangles, digs deeply into packaging futures, time and again comes up with the answers as soon as the questions are asked, quickly sweats out the rest.

. . . plus War

War found Macdonald ready when Canada's industrial clans gathered to plan for victory production. Output, more and more of it earmarked for the fighting services, zoomed to spectacular heights. General line cans assumed strange aliases—Generator Lachrymatory No. 2 (Tear Gas Bombs), Respirator Anti-gas Containers, Tinplate Star Containers, Oxygen Gasmask Canisters, Medical Kit Emergency Boxes, Burster Cylinders, Thunderflash Containers, Oblong Telescoping Cover Ammunition Boxes. Others emerged in endless procession as plain cans for oil or drinking water, standard equipment in armored vehicles, field kitchens.

. . . plus Speed

Macdonald's had driven ahead in fast production tempo. Sheets took-off; ran the gauntlet of nimble-fingered, canwise operators; wound-up as completed containers in what seemed no time at all. Non-stop operations included:, trimming, edging, panel pressing, grooving, squeezing the ends on, crimping, fluxing, soldering, testing, packing, for the big ones: one shot body forming, flanging, fluxing, soldering, testing, packing, for the others. Regardless of size, all went through in a matter of minutes.



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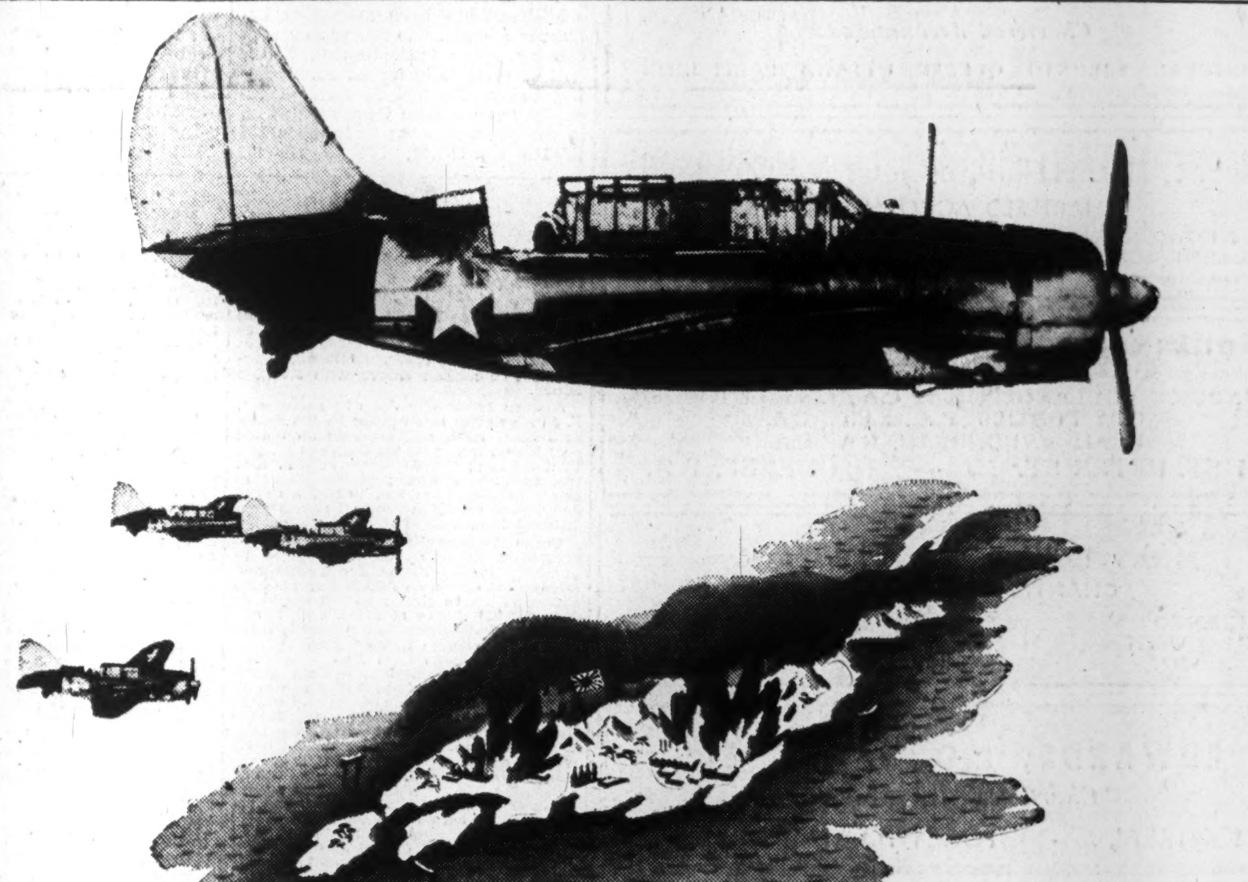
*Address all requests to Continental Can Company of Canada Limited, Sun Life Building, Montreal.



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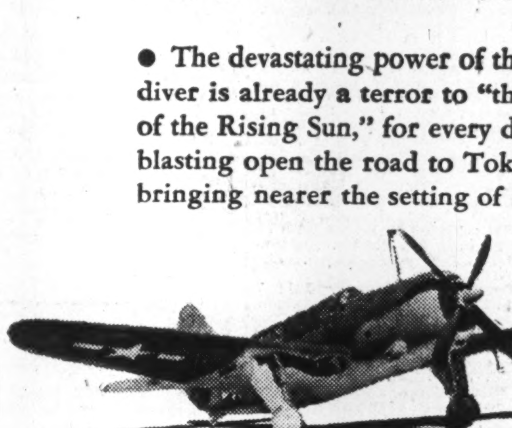
• The devastating power of the Helldiver is already a terror to "the Land of the Rising Sun," for every day it is blasting open the road to Tokyo and bringing nearer the setting of its sun.

Built in Canada for the United States Navy by Fairchild Aircraft, production is now in high gear. Actuated by aerial combat experience, this plane now embodies all the latest devices.



The latest Helldiver with a more powerful engine and a four-bladed propeller is now termed the world's biggest, fastest and deadliest dive bomber.

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